Administrative Offices
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October 16, 2013

To Green Mountain Care Board:

Please find attached an application for Certificate of Need for Soteria Vermont, a program of Pathways Vermont. The application includes background of the project, project description, responses to CON Standards and Statutory Criteria identified in the jurisdiction letter, financial tables and attachments. Attachments include a line item budget of the project for the fiscal years 2013-2015, explanation of the financial tables, organizational charts of Pathways Vermont and of the project, site and facility drawings, explanation of drawings, Verification Under Oath Form A, a letter from the Vermont Department of Mental Health, calculation of the application fee and the application fee. We are also submitting a request for expedited review, which follows this letter. Thank you for your consideration.

Amos Meacham
Project Director, Soteria Vermont

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To Green Mountain Care Board:

Please consider the Soteria Vermont CON application for expedited review. We believe that this application is unlikely to be contested, is consistent with 18 V.S.A. § 9431 in that it avoids unnecessary duplication and reduces the costs of services while improving the quality of health care services, and is appropriate for an abbreviated review process.

Amos Meacham
Project Director, Soteria Vermont

Certificate of Need Application
of
Pathways Vermont

Five Bed Residence for Individuals Experiencing an Initial Episode of Psychosis - SOTERIA VERMONT

Pathways Vermont submits to the Green Mountain Care Board for its consideration the following Certificate of Need Application proposing the creation of a five-bed residence for individuals experiencing an initial episode of psychosis - Soteria Vermont.

Project Background

The proposed project is modeled after a project created by the late psychiatrist Dr. Loren Mosher in the early 1970s - Soteria. The original project was funded by a National Institute of Mental Health Research grant. It involved the creation of an unlocked residence in a California community where up to eight individuals having an initial episode of psychosis received voluntary support. What made Soteria different from traditional hospitalization was its focus on "being with" instead of "doing to" individuals, its tolerance and flexibility to adapt to one's psychotic process, its cautious use of neuroleptic medications, its creative and non-professionalized environment, and most importantly, its belief that psychosis could be a temporary experience that one could work through as opposed to a mental illness that needed to be managed.

The roots of Soteria Vermont were growing prior to Tropical Storm Irene's arrival in August 2011. For years there have been citizens of Vermont who have advocated for the establishment of a residential program modeled on Dr. Mosher's project. This has been accompanied by a feeling among many in the larger Vermont mental health community that there are not enough options for people experiencing acute states of mental health distress. Tropical Storm Irene changed the landscape of Vermont. The storm-induced crisis in the mental health system of care led to the legislature drafting and passing Act 79 in 2012. Act 79 provides a statutory basis for this project.

Act 79 of 2012

- Sec. 1. § 7255. System of Care- *"The commissioner of mental health shall coordinate a geographically diverse system and continuum of mental health care throughout the state that shall include at least the following: … (3) alternative treatment options for individuals seeking to avoid or reduce reliance on medications".*
- Sec. 7. Community Services- "*To improve existing community services and to create new opportunities for community treatment, the commissioner of mental health is authorized to: … (3) Contract for a voluntary five-bed residence for individuals seeking to avoid or reduce reliance on medication or having an initial episode of psychosis. The*

residence shall be peer supported and noncoercive, and treatment shall be focused on a nontraditional, interpersonal, and psychosocial approach, with minimal use of psychotropic medications to facilitate recovery in individuals seeking an alternative to traditional hospitalization".

These two portions of Act 79 speak to the need for a residential option where medications are not the emphasized form of treatment for those experiencing an initial episode of psychosis. Best practice for the use of medications in the treatment of Schizophrenia and related disorders is a debated issue. Long term exposure to neuroleptic medications has been associated with numerous adverse health effects, including but not limited to diabetes, weight gain, sexual dysfunction and tardive dyskinesia[1]. In addition to leading to poor health, other side effects of medication make them unpopular with those they have been prescribed to; studies have shown that a large percentage of individuals diagnosed with schizophrenia do not want to stay on neuroleptic medications[2]. These two factors point to the need for alternatives beyond medication.

In July 2012, Pathways Vermont responded to a request for proposals by the Department of Mental Health. In its proposal, Pathways made a case for the establishment of this residence in Chittenden County due to the abundance of younger people, the project's target population. The "Soteria" approach was chosen as the base model due to its well-documented success as an early intervention for individuals experiencing an initial episode of psychosis. Pathways' proposal was selected for the grant award by the Department of Mental Health in August 2012.

Applicant Description

Pathways Vermont (PVT) is a non-profit social services agency that has been providing services in the state since Fall 2009. Pathways Vermont is a national affiliate of Pathways to Housing, an organization based in New York City that is responsible for developing the Housing First model for homelessness, an evidence-based practice which has been replicated nationally. It works by providing housing first, and then combining that housing with supportive treatment services in the areas of mental and physical health, substance abuse, education and employment. Pathways to Housing and the Vermont Department of Mental Health collaborated to develop a successful SAMHSA (Substance Abuse and Mental Health Services Administration) grant application to implement the Housing First model in a rural setting, culminating in the initial establishment of Pathways Vermont.

Since 2009, Pathways has expanded its Housing First Program to operate in six Vermont counties. PVT has also expanded its programming to include The Wellness Co-op, The Vermont Support Line and Soteria Vermont. The Wellness Co-op is a peer-run community center located in Burlington and is a sub-recipient of the Mental Health Transformation Grant (MHTG) awarded

[1] Nasrallah, H.A. (2007). The Roles of Efficacy, Safety and Tolerability in Antipsychotic Effectiveness: Practical Implications of the CATIE Schizophrenia Trial. *Journal of Clinical Psychiatry,* 68[suppl 1], 5-11.
[2] Lieberman, J.A., et al. (2005). Effectiveness of Antipsychotic Drugs in Patients with Chronic Schizophrenia. *New England Journal of Medicine,* 353, 1209-1223.

to the Department of Mental Health in 2010. The MHTG is a SAMHSA grant which aims to expand services to young adults experiencing mental health challenges who are not currently engaging with services. The Vermont Support Line is a free, anonymous, telephone support service that is funded by the Department of Mental Health under Act 79.

Pathways Vermont is uniquely suited to implement the Soteria model. At its core, Pathways offers person-centered services that take a highly individualized, needs-adapted approach. As an agency, Pathways has a demonstrated track record of serving individuals who were unwilling to engage with traditional mental health services offered in the existing system of care.

Project Description

Soteria is a Greek word which can be translated as salvation, hope and deliverance. Soteria Vermont is planned as a five bed Therapeutic Community Residence[3] in the Old North End of Burlington. It is designed to serve the needs of individuals experiencing distressing psychosis for the first time and who are looking for an alternative to hospitalization. A core operating principle of the proposed project is that the experiences and observations an individual has during an episode of psychosis can be understood to have meaning in and of themselves. Soteria Vermont intends to support individuals in making meaning out of their experience of psychosis, grounded in the belief that insight and understanding of the experience can lead to healing and functional recovery (See discussion of long-term outcomes in CON Standard 1.2). Functional recovery is what allows individuals to be contributing members of society, often working and living independently.

This project proposes to bring a unique service to Vermonters as the Soteria approach is not currently being practiced in this state. Residents are supported in their choice of whether to take medications. Given the concern over the long-term effects of psychopharmaceuticals, it is important that Vermonters have a residential option where medications are not the expectation. Staff utilize the approach of "being with" residents rather than "doing to". Being with involves striking a balance between allowing a person enough space to understand their personal experience on their own terms while also being available in the moment to facilitate human connection.

The staffing structure of the project is a crucial component. The residence will be staffed by a team of non-clinical staff with a broad range of experiences with the intention of creating a home-like environment with naturalistic interactions. The hiring process calls for assembling a staff with a diversity of interests. This is to allow options for residents to explore various health

[3] Therapeutic Community Residence (TCR) is a licensing designation for community residential programs throughout the state that provide a range of programs and services for people experiencing challenges such as substance abuse, psychiatric disabilities, traumatic brain injuries, cognitive and developmental disabilities, family dysfunctions and delinquency. (See: Licensing and Operating Regulations for Therapeutic Community Residences - Section 1.1, *Department of Aging and Independent Living, Division of Licensing and Protection*)

and wellness activities. There will be a minimum of two residential coordinators scheduled to be working on site at all times. Additional coverage will be provided by a project director, house manager and aftercare coordinator. The proposed project will offer consultations with both a contracted psychiatrist and naturopath. Staff will be trained by a nurse in safety issues regarding medications but will not directly handle any resident medication. Staff will also receive safety training as required by licensing regulations, such as CPR and emergency evacuation.

Burlington was chosen as the location for the project due to its lower median age population in relation to the rest of Vermont, at 26.5 years compared to a median age of 41.5 years for Vermont as a whole.[4] The building is being leased from a private landlord. This benefits to both reduce expense and avoid delay in the development phase. Presently the building is zoned as a multi-family residence but will be converted to Group Home, an acceptable use for this property under Burlington zoning ordinances. The multi-family home is comprised of two structures. Renovation plans are to integrate the two structures with an improved connector that includes a wheelchair lift. Accessibility modifications and installation of life safety systems are necessary.

The site has been selected to optimize proximity to community resources such as public transportation, parks, cafes and medical facilities, while also directly bordering the Intervale, a large green space. The property is situated on a lot of just over one acre, large for Burlington. There is a neighbor abutting the east flank of the property but none to the north and west. Manhattan Drive forms the southern border of the property. The interior of the home is laid out with two main living spaces. This allows for residents to choose their level of interaction by finding a space that is either social or more quiet. There is space for each resident to have their own bedroom with shared bathroom and kitchen spaces. There is ample room outdoors for those who find gardening or other outdoor activities therapeutic.

CON Standards in 18 V.S.A. §9437 (1) in 2009 HRAP

Criterion (1) The application is consistent with the health resource allocation plan:

> ***CON STANDARD 1.2: Applicants seeking to expand or introduce a specific health care services shall show that such services have been shown to improve health. To the extent such services have been the subject of comparative effectiveness research, an applicant shall show that the results of this research support the proposed project.***

<u>Services Have Been the Subject of Comparative Effectiveness Research</u>

[4] "Burlington, VT Historical Age Data". usa.com. World Media Group, LLC, n.d. Web. September 26, 2013.

The project is modeled on two programs that operated in California during the 1970s and 80s, Soteria and Emanon. These experimental programs were originally created as part of a comparative treatment study, which posed the question:

"How effective will these experimental residential treatment programs be in the treatment of acute schizophrenia in young adults compared to short term hospital treatment with neuroleptic drugs?"

The study involved two separate cohorts of participants, the second of which was a randomized control trial. While Soteria was the primary program, Emanon was developed and studied to demonstrate the program's replicability. Subjects of the study were individuals experiencing a first episode of psychosis.

In these studies, participants of the experimental programs were assessed on a number of clinical and functional outcomes at six weeks and two years after initial admission. These outcomes were compared to outcomes collected from individuals who had been in the control group, in this case treated in a local psychiatric ward. It was demonstrated that participants in the experimental program had at least equally favorable outcomes in regard to symptom remission and more favorable outcomes related to functional recovery. These outcomes suggest that the Soteria approach towards early episode psychosis is more effective in many cases than a traditional hospitalization approach.

Services Have Been Shown to Improve Health

The results of the research effort described above demonstrates that for this population, the Soteria model utilized by this proposed project improves health to at least the same extent as hospitalization. In the short term, Soteria was shown to be as effective as inpatient hospitalization in stabilizing residents who had been experiencing acute distress. In the long term, Soteria demonstrated great success in facilitating the functional recovery of those who had undergone an acute episode of distressing psychosis.

Short Term Outcomes

The outcomes from the original Soteria program demonstrated that individuals experiencing an early episode of psychosis could show as much improvement during a stay in a home-like environment without the introduction of neuroleptic medication as they could in a traditional hospital setting. After six weeks, patients in both settings showed similar reductions in Global Psychopathology Scores (-1.6 at Soteria versus -1.8 at Control) and similar improvements in Global Functioning Scores (2.5 at Soteria versus 2.5 at Control).[5] In fact, the only marked difference in outcomes at the end of six weeks was the fact that those being treated at Soteria were significantly less likely to have had any exposure to neuroleptic drug use (33% at Soteria

[5] Mosher L.R., Vallone, B. (1992). *Soteria Project Final Progress Report*. Prepared for the National Institute for Mental Health (Grant Number ROIMI-135928). Retrieved from http://psychrights.org/Research/Digest/Effective/SoteriaFinalReport.pdf.

versus 100% at Control) and in particular *continuous* neuroleptic drug use (12% versus 98%)[6] in the course of their treatment. These results suggest that in a population of individuals experiencing an early episode of psychosis, unrestrictive homelike environments are as effective as treatment as usual and, more strikingly, that similar improvements can be obtained without the employment of neuroleptic medications.

Long Term Outcomes

The short term outcomes of the Soteria project demonstrated that this intervention is as effective as treatment-as-usual (psychiatric hospitalization) in addressing early episode psychosis. The long term outcomes gave further evidence to the benefits of this approach. At two-year follow up, it was shown that when compared to controls, Soteria participants:

1. Had better social functioning scores (2.04 Soteria versus 1.89 Control)[7],[8]
2. Were more likely to be living independently in the community (58% Soteria, 33% control)[9]
3. Were less likely to be medicated (43% of Soteria participants had received any medication at follow-up, 100% of control)[10]
4. Were more likely to be engaged in at least part-time employment (60% Soteria, control data unavailable)[11]

Long term outcomes regarding symptom remission for both experimental and control groups were comparable. However, the experimental group showed markedly better functional recovery outcomes. It is presumed by researchers that the psychosocial interventions utilized were associated with the improved outcomes. It also has been shown that those who achieve functional recovery from an early episode of psychosis are more likely to recover in the long term.[12]

In comparing all subjects having substantial exposure to medication with those having minimal exposure, those with minimal exposure:

1. Had significantly lower global psychopathology scores (2.5 - minimal exposure versus 3.3 - substantial exposure);

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[6] Mosher L.R., Vallone, B. (1992). *Soteria Project Final Progress Report*. Prepared for the National Institute for Mental Health (Grant Number ROIMI-135928). Retrieved from http://psychrights.org/Research/Digest/Effective/SoteriaFinalReport.pdf.

[7] Bola, J. R., Mosher, L. R. (2002). At Issue: Predicting Drug-Free Treatment Response in Acute Psychosis From the Soteria Project. *Schizophrenia Bulletin,* 28 (4), 559-573.

[8] Social functioning subscale of Brief Follow-up Rating Scale (range 0-3, higher is better functioning)

[9] Mosher, L.R., Menn, A.Z. (1979). Community Residential Treatment for Schizophrenia: Two-Year Follow-up. *Hospital & Community Psychiatry, 29(11), 715-723.*

[10] Irwin, M. (2004). Treatment of Schizophrenia without Neuroleptics: Psychosocial Interventions versus neuroleptic treatment. *Ethical Human Psychology and Psychiatry,* 6(2), 99-110.

[11] Bola, J. R., Mosher, L. R. (2002). At Issue: Predicting Drug-Free Treatment Response in Acute Psychosis From the Soteria Project. *Schizophrenia Bulletin,* 28 (4), 559-573.

[12] Álvarez-Jiménez, M., Gleeson, J.F., Henry, L.P., Harrigan, S.M., Harris, M.G., Killackey, E., Bendall, S., Amminger, G.P., Yung, A.R., Herrman, H., Jackson, H.J., and P. D. McGorry, P.D. (2012). Road to full recovery: longitudinal relationship between symptomatic remission and psychosocial recovery in first-episode psychosis over 7.5 years. *Psychological Medicine, 42(3), 595-606.*

2. Were significantly less likely to be rehospitalized in an inpatient setting (68% versus 91%); and
3. When rehospitalized, stays were substantially shorter (23 days versus 42 days)[13]

These results suggest that avoiding substantial use of antipsychotic medication during early episodes of psychosis may have a positive impact on long-term functional outcomes. These results are supported by a number of additional studies which document improved outcomes at 10, 15 and 20 year follow-up for individuals who were not treated with medication (*See: Martin Harrow Longitudinal Study Outcomes[14] and World Health Organization Outcomes[15]*).

Associated Risk with Long-Term Utilization of Neuroleptic Medications

In recent years, there has been a highlighted focus on the health impact of long-term utilization of neuroleptic medications, also known as antipsychotics. Long term use of neuroleptic medications, including the newer atypical antipsychotics, has been associated with a number of significant health concerns including tardive dyskinesia, diabetes, pancreatitis and a metabolic syndrome which causes elevated blood sugar, cholesterol and blood pressure as well as severe obesity.[16]

The long term use of neuroleptic medications has also been associated with higher mortality rates. In a British study, men diagnosed with Schizophrenia were found to have a life expectancy reduction of 14.6 years when compared to the regular population, with the harmful health effects of neuroleptic medication identified as a contributing factor.[17] Studies have shown that polypharmaceutical regimens in particular are associated with elevated risk of mortality, with one study showing a direct relationship between the number of pharmaceuticals an individual was taking and elevated mortality rates.[18] Thus the proposed project will improve health by diverting participants from a potential long term course of treatment with neuroleptic medications, an approach which has been associated with significant health concerns.

CON STANDARD 1.3: To the extent neighboring health care facilities provide the services proposed by a new health care project, an applicant shall demonstrate

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[13]Mosher L.R., Vallone, B. (1992). *Soteria Project Final Progress Report*. Prepared for the National Institute for Mental Health (Grant Number ROIMI-135928). Retrieved from http://psychrights.org/Research/Digest/Effective/SoteriaFinalReport.pdf.

[14] Harrow, M., Jobe, T.H., Faull, R.N. Do all schizophrenia patients need antipsychotic treatment continuously throughout their lifetime? A 20-year longitudinal study. *Psychological Medicine, 1-11.*

[15]Jablensky, A. Schizophrenia: manifestations, incidence and course in different cultures. *Psychological Medicine (20), 1-95.*

[16] Breggin, P. (2009, October 31). Antipsychotic Drugs, Their Harmful Effects, and the Limits of Tort Reform. *The Huffington Post.* Retrieved from http://www.huffingtonpost.com/dr-peter-breggin/antipsychotic-drugs-their_b_341108.htm.

[17]Hughes,D. (2011, May 17). Mentally ill have reduced life expectancy, study finds. *BBC.* Retrieved from *http://www.bbc.co.uk/news/health-13414965*.

[18]Joukamaa, M., Heliovaara, M., Knekt, P., Aromaa, A., Raiasalo, R., & Lehtinen, V. (2006). Schizophrenia, neuroleptic medication and mortality. *British Journal of Psychiatry, 188, 122-127.*

that a collaborative approach to delivering the service has been taken or is not feasible or appropriate.

The proposed project will be a unique service in the State of Vermont; it intends to provide a service that has not yet been offered within the state. There are other programs offered by local community providers which are utilized by individuals experiencing an initial episode of psychosis. However, there is not currently a residential program that is specialized for individuals undergoing this experience. The project can provide intensive psychosocial and relational support to individuals in a flexible, home-like environment. There is great evidence that specialized interventions for First Episode Psychosis can be more effective than more general programs in facilitating long-term recovery.[19] The project proposes a hospitalization alternative with an anticipated length of stay between three and six months. It anticipates serving individuals who would otherwise have been placed in inpatient care or utilized short-term crisis beds.

The hallmark of the Soteria approach is its intention to "be with" rather "do to" its residents. The concept of "being with" can be found across many alternatives with similar origins as Soteria, such as the Saint Agnews Vigils, John Weir Perry's Diabasis and R.D. Laing's Kingsley Hall. Paramount to the reported success of these programs was the utilization of intensive psychosocial support focused on the development of authentic interpersonal relationships between residents and staff. The studies associated with the Soteria Project attempted to more clearly define the nature of this approach in their "Treatment Process" study. In comparing the program's environment to the hospital controls utilizing a WAS/COPES[20] milieu assessment, Soteria scored significantly higher on subscales which measured involvement, support, spontaneity, autonomy, order and clarity.[21]

The project anticipates referrals coming from a diverse range of providers statewide. People with psychosis can present in a multitude of settings via interactions with, but not limited to: primary care providers, university campus clinics, outpatient mental health providers, crisis services and emergency departments. Collaboration with community service providers is paramount when it is believed that Soteria Vermont is a more effective form of care for a given individual. The project opens its doors to people whose needs are not being met in an outpatient setting, and who would likely not be accepted into other residential settings. In addition to accepting referrals, the project can collaborate with community providers in coordinating services for residents during their stay, given the project's value of community integration to the greatest extent possible. Soteria Vermont anticipates coordinating services with local outpatient providers for current residents as well as those preparing to exit the program, per residents' desires. This will be accomplished by a full-time aftercare coordinator.

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[19] Malla et al. (2005). First-Episode Psychosis, Early Intervention, and Outcome: What have we learned? *Canadian Journal of Psychiatry, 50(14), 883.*

[20] Ward Assessment Scale/Community Oriented Program Environment Scale

[21] Mosher L.R., Vallone, B. (1992). *Soteria Project Final Progress Report*. Prepared for the National Institute for Mental Health (Grant Number ROIMI-135928). Retrieved from http://psychrights.org/Research/Digest/Effective/SoteriaFinalReport.pdf.

CON STANDARD 1.6: Applicants seeking to develop a new health care project shall explain how the applicant will collect and monitor data relating to health care quality and outcomes related to the proposed new health care project. To the extent practicable, such data collection and monitoring shall be aligned with related data collection and monitoring efforts, whether within the applicant's organization, other organizations or the government.

Great current interest exists in investigating the role that psychopharmaceuticals play in the early intervention and treatment of schizophrenia and related disorders. A range of current research is being conducted in different corners of the world on how best to respond to the experience of psychosis, and what programming can be offered. Two major questions being raised by investigators are:

(1) *How effective are psychosocial approaches in addressing First Episode Psychosis?*
-and-
(2) *What role does medication play in the long-term outcomes of individuals experiencing First Episode Psychosis?*

Preliminary results from these studies suggest that programs focusing on early functional recovery via the utilization of psychosocial support methods are more effective in facilitating long-term recovery than more traditional approaches focused on symptom reduction[22] (See: EPPIC[23], EPIP[24], EPP studies). Other bodies of research have focused on the effectiveness of long term regimens of neuroleptics. There is a lack of information about the efficacy of long-term neuroleptic medication use, a fact which was held by the President's New Freedom Commission on Mental Health in 2003[25]. There are however, some preliminary studies which give evidence to the fact that recovery from Schizophrenia and related disorders can be achieved without the use of medication.[26] Data collected about participants and their response to the proposed project could be used to contribute to and possibly further inform these conversations. That being said, any potential for research or data analysis will come secondary to and not interfere with the primary goal of supporting the recovery of Soteria Vermont residents.

Quality Assurance

As a program of Pathways Vermont, the proposed project will be included in the organization's

[22] Álvarez-Jiménez, M., Gleeson, J.F., Henry, L.P., Harrigan, S.M., Harris, M.G., Killackey, E., Bendall, S., Amminger, G.P., Yung, A.R., Herrman, H., Jackson, H.J., and P. D. McGorry, P.D. (2012). Road to full recovery: longitudinal relationship between symptomatic remission and psychosocial recovery in first-episode psychosis over 7.5 years. *Psychological Medicine, 42(3), 595-606.*
[23] Early Psychosis Prevention and Intervention Center (http://eppic.org.au/)
[24] Early Psychosis Intervention Program (http://www.imh.com.sg/education/page.aspx?id=660#EPIP)
[25] Harrow, M., Jobe, T. H. and Faull, R. N. (2012). Do all schizophrenia patients need antipsychotic treatment continuously throughout their lifetime? A 20 year longitudinal study. *Psychological Medicine, 1-11.*
[26] Bola, J.R. (2006). Psychosocial Acute Treatment in Early-Episode Schizophrenia Disorders. *Research on Social Work Practice, 16(3), 263-275.*

Continuous Quality Improvement activities. Information gathered from these activities are used to inform and improve the program's operational and philosophical practices. Soteria Vermont will have it's own Quality Assurance plan utilizing a combination of activities and practices including:

1. Oversight by organization's multidisciplinary Quality Improvement Committee, including:
    - Review of project's individualized quality assurance plan
    - Analysis and review of program delivery and performance
    - Review of all critical incidents by Incident Review committee

2. Clearly defined mechanism for filing informal complaints and formal grievances, including:
    - Regular mechanism for allowing residents to express complaints or dissatisfaction with services received, including community/house meetings,
    - Detailed policy for filing of formal grievances or appeals related to services received, to be handled by the Organization's Grievance and Appeals Coordinator, external to the daily operations of the proposed project.
    - Explanation of these procedures to all residents during their orientation to the project.
3. Organized means of collecting feedback from participants, including:
    - Invitation to attend meetings of Pathways Vermont's Standing Committee
    - Anonymous end-of-service survey offered to all participants

<u>Program Utilization & Outcomes</u>

Pathways Vermont holds a high standard for demonstrated effectiveness of its programs, thus places a high value on the implementation of evaluation activities. To assess the program's effectiveness in serving its defined population, the proposed project will collect data concerning the following topics:

1. *Program Utilization* - Data regarding program utilization, characteristics of stays and population served. (How many individuals served, bed utilization percentages, average length of stay, demographic information regarding program participants)
2. *Intake & Referral* - Information regarding the demand for the service and service's ability to meet that demand (Number of referrals received, range of referral sources; number of denials of service, service denial reasons)
3. *Participant Outcomes* - Information on resident response to the proposed project, a comparison of data collected at program entry to be collected again at program exit, including:
    a. Clinical improvements (assessment by psychiatrist)
    b. Functional & social improvements (interview by intake staff)
4. *Cost Effectiveness* - Information regarding the estimated expense of services provided for comparison to other programs in operation

<u>Data Collection & Outcomes</u>

In addition to regular data collection activities related to quality assurance and program utilization, Pathways Vermont is actively pursuing collaborative relationships with institutions involved in researching first episode psychosis. It is intended for the proposed project to employ an intensive data collection program that is centered around some of the main components of the project on which it is based. The employment of such a program would enhance the information that can be derived from program outcomes beyond the scope of what can be captured by administrative data. The information gathered by such a program would be a great benefit to the state and the field of community mental health at-large.

The original Soteria project based its outcomes on 29 independent variables which were measured at admission (10 Demographic, 5 Psychopathology, 7 Prognostic, 7 Psychosocial) and 22 dependent variables collected 1 and 2 years post admission (2 psychopathology, 4 medication, 4 inpatient & Outpatient Care and 12 Psychosocial).[27] The proposed project intends to continue the legacy of this original project and further inform the conversation initiated by the original researchers.

In addition to these quantitative measurements, our proposed project intends to include in its evaluation activities qualitative methods, such as structured interviews, which utilize established approaches such as grounded theory (a research method developed by Glaser and Strauss) and narratology (the study of narrative representations). The employment of such qualitative methods outcomes in the proposed project would not only measure the effectiveness of the Soteria approach but also describe the experience of psychosis and what may be helpful from the perspective of those who have lived through it first hand.

> ***CON STANDARD 1.7: Applicants seeking to develop a new health care project shall explain how such project is consistent with evidence-based practice. Such explanation may include a description of how practitioners will be made aware of evidence based practice guidelines and how such guidelines will be incorporated into ongoing decision making. (2005 State Health Plan, page 48.)***

<u>Practitioners will be aware of Evidence-based Practice Guidelines</u>

Six Evidence Based Practices were identified for implementation in Mental Health Services in the 2005 Vermont State Health Plan. These were Medication Management Approaches in Psychiatry (MedMAP), Illness Management and Recovery (IMR), Assertive Community Treatment (ACT), Family Psychoeducation (FPE), Supported Employment (SE), and Integrated Dual Disorders Treatment (IDDT). Four of the six listed Evidence Based Practices have been identified as being particularly beneficial in the long-term outcomes of individuals experiencing a First Episode Psychosis:

1. ***Supported Employment:*** It is anticipated that many residents will have the goal of

[27] Mosher L.R., Vallone, B. (1992). *Soteria Project Final Progress Report*. Prepared for the National Institute for Mental Health (Grant Number ROIMI-135928). Retrieved from http://psychrights.org/Research/Digest/Effective/SoteriaFinalReport.pdf.

employment. Project staff can help residents utilize providers with SE services, such as The Wellness Co-op, Vocational Rehabilitation or a Designated Agency CRT program.

2. ***Family Psychoeducation:*** Similarly, Soteria Vermont staff will be familiar with Family psychoeducation resources and practitioners such as NAMI-VT (National Alliance on Mental Illness- VT chapter) and can assist residents and their family members in accessing these resources when desired.
3. ***Assertive Community Treatment:*** Residents who are leaving Soteria and looking for ACT services may be eligible for enrollment in the Housing First program with Pathways Vermont, which utilizes a hybrid Assertive Community Treatment/Intensive Case Management approach.
4. ***Integrated Dual Disorders Treatment:*** It is expected that some individuals who come to live at Soteria Vermont will be looking for help with substance use issues as well as first episode psychosis. IDDT could be an effective approach for some. Practitioners within the broader provider community, such as Intensive Outpatient Programs, will be accessed when indicated and/or wished for by the resident.

Project is Consistent with Evidence-based Guidelines

The project proposes to utilize a number of practices that, while not listed as Evidence Based Practices, have been identified as effective by the Department of Mental Health. DMH has used initiatives and priorities, including Act 79, to describe the expectations of mental health providers moving forward. These include the adoption of the following practices (DMH initiatives follow in parentheses or by citation):

- Trauma-Informed Care[28]
- Peer Support (Mental Health Transformation Grant, Vermont Support Line, Alyssum)
- Recovery, Strengths-Based Approach (Vermont Recovery Education Project)

The budget accounts for training staff in these three components. Guidance for staff in implementing these approaches happens via trainings in Intentional Peer Support, NAPPI (Non-Abusive Psychological and Physical Intervention), and the Pathways Vermont core competencies that all staff receive. In addition, the Soteria model is based on evidence backed by thorough, comprehensive research and analysis. Please see CON Standard 1.2 for more detail.

CON STANDARD 1.9: Applicants proposing construction projects shall show that costs and methods of the proposed construction are necessary and reasonable. Applicants shall show that the project is cost-effective and that reasonable energy conservation measures have been taken.

Construction is Necessary and Reasonable

[28] See: Blueprint for Action: Building Trauma-Informed Mental Health Service Systems: State Accomplishments, Activities & Resources, Vermont 2007 Report http://mentalhealth.vermont.gov/sites/dmh/files/report/DMH-Trauma-Informed_Service_2007.pdf

The project costs that are associated with renovation and development of the project are being financed by Pathways Vermont, through funding from DMH. A lease has been signed with a private landlord on an existing structure in Burlington's Old North End. Per the lease, the landlord is responsible for any ongoing building maintenance issues, while the tenant is responsible for any damage resulting from the misuse of the building. The facility was two structures on one lot that in 2004 was connected using a small shed to make it a multi-family home. The multi-story structure to the east was built in 1986 while the single story structure to the west was built in 1993. The multi-family home largely meets the needs of the project, with some renovations needed. Rebuilding the connector between the two structures is largely for the purpose of housing a lift to provide accessibility, but also performs the function of more effectively causing the two structures to become one unified home. It leaves a ground floor space that is immediately accessible from the driveway, has a large common space, 2 bedroom spaces, a small office or quiet room, as well as a bathroom and kitchenette. People will be able to exit this structure into the connector and take either a short flight of steps or the lift up to another common space, to be used for dining. There is also the kitchen and a half bath on that level, as well as access to the back deck. One story up there are 2 bedrooms and another common space, as well as a full bath. In the half basement with full size windows there is the fifth bedroom, an office space and another full bath.

The renovation cost of this proposed project is estimated to be $139,300. Renovations are expected to be completed by mid-January 2014. Renovations to the structure are necessary in order to ensure that the building will meet all ADA accessibility, life safety and code enforcement standards related to its proposed use. The scope of work to be performed:

- $30,500- Rebuilding the existing connector between the two parts of the building to accommodate the platform lift. This will add 100 square feet of interior space
- $12,000- Installation of platform lift for accessibility to community spaces in main building
- $29,800- Modifications to existing bathroom to comply with accessibility standards
- $6,000- Modifications to existing kitchen to comply with accessibility standards
- $1,800- Install accessible sliding door for the back deck
- $25,000- Installation of a new fire alarm system to comply with Life Safety Code
- $25,000- Installation of a retro-fitted sprinkler system to comply with Life Safety Code
- $9,200- Additional expense to replace some flooring, build a new fence and dump fees

It should be noted that an exterior ramp was designed for the rear of the property as a contingency but is considered redundant to the lift planned for the rebuilt connector. Soteria Vermont has consulted with both The New England ADA Center and with Duncan Wisniewski Architecture, both of whose professional opinion is that the ramp is not necessary. The lift solution to accomplish accessibility is both more cost effective ($12,000 compared to $21,000 for a ramp) and more convenient due to its proposed location within the interior of the living space. A ramp external to the building remains on the drawings as a contingency in the event the local building inspector determines that it is a necessity.

The unaltered areas of the buildings are largely residential in usage. All of the modifications are necessary for the residence to comply with applicable federal, state and local regulations for a residence of this type, categorized as a residential board and care home for federal and state fire protection code, and as a group home for Burlington zoning. A building code and accessibility summary was performed by Duncan Wisniewski Architecture, identifying the following applicable codes:

- VT Fire & Building Safety Code (VT FBSC) - 2012
- NFPA 1-2012
- NFPA 101-2012
- IBC-2012
- ADA-2010
- ADAAG-2004
- VT Access Rules - 2012
- VT Act 88-Residential Housing Standards

Cost-Effective

Compared to two recent CON applicants (Middlesex Secure Residential Recovery- modular construction; and Green Mountain Psychiatric Care Center- new construction) by either a square foot or per bed cost of development, lease and rehabilitation is the most cost effective method.

	Construction Cost (per square foot)	Construction plus related Costs (per square foot)	Construction Cost (per bed)	Construction plus related Costs (per bed)
Middlesex- SRR[29]	*$186*	*$361*	*$150,000*	*$290,386*
GMPCC[30]	*$425*	*$791*	*$817,233*	*$1,520,463*
Soteria Vermont[31]	***$61***	***$80***	***$34,900***	***$46,064***

The method of securing the property for this project is leasing rather than purchase. Current city assessment of the property is $362,600. The monthly lease is $4,400. A comparative bid process was conducted to secure a contractor. The contractor was chosen based upon references, thoroughness of response and cost effectiveness of approach to the necessary work to be completed. Leasing and rehabilitating an existing building, rather than purchasing land and constructing a new one, has the advantages of decreased cost and time duration of development. While detailed new construction plans were not obtained for the proposed project, it can be assumed that purchase, permitting and construction would be several hundred thousand dollars. Therefore, the lease and rehabilitate option is clearly the most cost effective

[29] Based on total square feet of 5,632 and project costs in Financial Table 1, SRR CON application
[30] Based on 48,072 square feet, which was obtained by dividing cited cost of $425/sq ft into construction costs of $20,430,574, and project costs in Financial Table 1, GMPCC CON application
[31] Square feet=2,880; 5 beds; see table 1 for project and related costs

method.

Energy Conservation

The project will be installing a new exterior lighting fixture adjacent to the new front entrance. The fixture is a SLIM26 RAB Lighting, with a 2,648 lumen output from 26 watts and a life expectancy of 100,000 hours. All interior lighting fixtures currently fitted with long lasting, low wattage, high output compact fluorescent lightbulbs. Accommodation in the form of full spectrum lighting may need to be made, depending on resident needs. The structure is split into four zone heating, enabling for greater heating efficiency. Refer to CON Standard 1.10 for additional energy conservation features, including energy efficient windows and doors.

> ***CON STANDARD 1.10: Applicants proposing new health care projects requiring construction shall show such projects are energy efficient. As appropriate, applicants shall show that Efficiency Vermont, or an organization with similar expertise, has been consulted on the proposal.***

The bulk of construction work to be performed on the facility is retrofitting the residential space for a fire alarm system, sprinklers and accessibility modifications to comply with the Americans with Disability Act. There is a small addition that adds approximately 100 square feet of interior space. For this addition, energy efficiency standards are met by utilizing ½" sheetrock over 6" wood studs insulated with R19 fiberglass batting insulation. The exterior is planned for ½" plywood sheathing topped by 1.5" isostyrene R4 foamboard and rainscreen over strapping to back spruce clapboard. The wall construction has a total R value of 23. The roof has a R value of 40, achieved with blown insulation, utilizing plywood decking and asphalt shingle roof. A new rear deck door is planned, a full view ThermaTru sliding door with low energy glass and an R value of 3.4. The side light is also low energy glass, R value 3.85. The window in the addition is planned as a Marvin Integrity with R value of 3.6 and the door is half view ThermaTru with R value of 3.5. Construction is designed to meet or exceed all applicable Vermont Residential Building Energy Standards. This applicant was informed by Efficiency Vermont that Burlington Electric Department is the Energy Efficiency utility operating in the municipality of Burlington. Burlington Electric Department's sole recommendation was some energy savings could be realized by replacing a refrigerator. It would take at least ten years to gain financial advantage from replacement so it is planned to continue usage of the current refrigerator.

> ***CON STANDARD 1.11: Applicants proposing new health care projects requiring new construction shall demonstrate that new construction is the more appropriate alternative when compared to renovation.***

The proposed project utilizes the structure largely as is, with residential spaces unaltered. Renovations planned (as detailed in CON Standard 1.9) are solely to comply with ADA as well as fire and life safety considerations. The limited construction necessary (100 square feet to enlarge connector) is to house a lift in order to provide accessibility to the main common area for those with mobility challenges.

CON STANDARD 1.12: New construction health care projects shall comply with the Guidelines for Design and Construction of Health Care Facilities as issued by the Facility Guidelines Institute (FGI), 2010 edition.

The *Design Guide for the Built Environment of Behavioral Health Facilities, Edition 4.3*, distributed by the National Association of Psychiatric Health Systems (NAPHS), is a nationally recognized guide in establishing standards for behavioral health facilities and was utilized for this planned facility. The proposed project will in all respects meet applicable guidelines, including the following:

- "Behavioral health units and facilities should be designed to appear comfortable, attractive, and as residential in character as possible"[32]:
    - bedrooms are in a family home arrangement with shared bath facilities
    - ample common space for interaction and socialization
    - shared kitchen facility for individual and collective use
    - ample space outside the home for gardening, relaxation, contemplation
- breaker panels are located in areas easily accessible to staff
- all private bedrooms are in excess of 100 square feet
- Ground Fault Circuit Interrupters for all outlets near a water source

CON STANDARD 4.1: Applicants for inpatient mental health service related certificates of need shall include specific information about how the proposal relates to the VSH Futures Project (or subsequent plan). Applicants shall not receive a certificate of need without showing how the proposal is consistent with the most current planning objectives identified by the Vermont Department of Mental Health.

Soteria Vermont & Act 79

Soteria Vermont was developed as a direct result of the passage of Act 79 in the 2012 Legislative Session. Act 79 essentially replaced the VSH Futures Project as the document guiding DMH. Please see Background, page 1 of this document for further discussion.

Department of Mental Health System of Care Plan, Fiscal Year 2012-2014

The proposed project relates to The System of Care Plan devised by DMH for fiscal years 2012-2014, which states:

> *"The goals of Emergency Services in responding to an individual are to offer help to resolve the crisis or at least to stabilize the situation so that it is not dangerous or threatening anymore and the person feels capable of dealing with it. Referrals to other services may be necessary, and then the clinician's job becomes one of figuring out*

[32] NAPHS Design Guide, Edition 4.3, 2011

which services from which agencies can help and assuring the person's access to those services as soon as possible."[33]

Soteria Vermont is envisioned as an important service for people who are for the first time experiencing a distressing episode of psychosis. It is anticipated for some if not most referrals to come from Emergency Services at Designated Agencies. Screeners often have the difficult job of determining what services across the continuum of care can most effectively assist an individual in need. Soteria Vermont is seen as filling a gap to assist in that determination, potentially diverting someone from a hospitalization when a screener might otherwise see no other choice.

CON STANDARD 4.2: Applicants seeking to add mental health services capacity shall submit a letter from the Vermont Department of Mental Health indicating its support of, or opposition to, the proposal, and the reasons therefore, unless DMH is the applicant.

Please see attached

CON STANDARD 4.5: To the extent possible, an applicant seeking to implement a new health care project shall ensure that such project supports further integration of mental health, substance abuse and other health care.

While the project's target population is individuals experiencing acute mental health distress, Soteria Vermont will not deny any individual admission to its program due to co-occurring substance use or other health challenges, provided that the level of care these conditions require is not beyond the scope of care the project is capable of providing under its intended licensure as a Therapeutic Community Residence. The mission of Soteria Vermont is to assist residents to stabilize a crisis situation and promote recovery. The recovery process looks different for each individual. For some, it includes addressing issues related to substance abuse and/or health care for the whole person. Project staff will support the specific goals of each resident in these regards and will be able to provide information and referral to resources within the larger community.

CON STANDARD 4.6: Applicants for mental health care, substance abuse treatment or primary care related certificates of need should demonstrate how integration of mental health, substance abuse and primary care will occur, including whether co-location of services is proposed.

The proposed project differs from traditional mental health care residences in that mental health programming (ex. group therapy, individual therapy) is not provided at the residence. Clinical

[33] DMH System of Care Plan, Fiscal Year 2012-2014, Pages 56-57

services to be provided at the residence include consultation with a psychiatrist and a naturopath, each contracted for eight hours per week. While staying at Soteria Vermont, residents are to be supported in exploring other forms of assistance offered in the community, including but not limited to: community 12 step meetings, other community group meetings, and individual meetings with local providers. Soteria Vermont takes a person-centered approach, meaning that services coordinated are to be adapted to each individual's needs. Program staff will be knowledgeable about local resources for mental health, substance use, health and other issues and will be available to support residents who wish to access these resources.

Criterion (2) The cost of the project is reasonable, because:

(A) the applicant's financial condition will sustain any financial burden likely to result from completion of the project:

PVT has dedicated funding for each of its component programs. Its financial condition is not anticipated to be impacted by the project. Soteria Vermont has been structured to minimize costs, through planning and a competitive bidding process, and is wholly funded by DMH. The legislation enacted in response to the emergency closure of the Vermont State Hospital, Act 79, defines a plan to re-imagine and enhance the system of community mental health services. It authorizes the development of the five-bed hospitalization alternative proposed in this application. The Department of Mental Health, which was charged with the oversight of this project and all other initiatives outlined in Act 79, allocated $300,000.00 for the initial development of the project and $1,000,000.00 annually for ongoing operation. Pathways Vermont was selected by DMH to develop this initiative beginning in September 2012.

(B) the project will not result in an undue increase in the costs of medical care. In making a finding under this subdivision, the board shall consider and weigh relevant factors, including:

(i) the financial implications of the project on hospitals and other clinical settings, including the impact on their services, expenditures, and charges;

(ii) whether the impact on services, expenditures, and charges is outweighed by the benefit of the project to the public; and

As a hospitalization alternative, the proposed project reduces the burden on existing psychiatric units, both locally and statewide, by diverting unnecessary admissions. Soteria Vermont's focus on supporting residents to achieve optimal functional recovery is expected to reduce the need for residents to access long-term intensive services, such as the CRT program. It is currently the norm for individuals experiencing an early episode of psychosis who are in acute distress to undergo a period of inpatient hospitalization. In many cases, these individuals are not in need of the security and medical intensity such hospitalization provides, but rather constant and consistent access to support services and psychosocial support. Hospitalization alternatives such as Soteria provide 24-hour-care in a less restrictive environment than hospitalization. It is

projected for Soteria Vermont to serve 20 individuals a year,[34] saving both financial and system resources from unnecessary utilization of an inpatient level of care for these individuals.

When compared to inpatient hospitalization, the proposed project is remarkably cost effective. The cost of a single bed at the Vermont State Hospital, prior to its closure in 2011, was calculated to be $1,116[35] per night. According to figures provided in the CON for the Berlin State-Run Hospital (since renamed the Vermont Psychiatric Care Hospital), it is calculated that each of the 25 beds will have a per night cost of $1,862.[36] The anticipated cost of the proposed project is $547[37] per bed, per night. Due to its less restrictive nature, the cost of treating an individual at the proposed hospital diversion project is anticipated to be less than half the cost of treating the individual at an inpatient care facility.

(C) less expensive alternatives do not exist, would be unsatisfactory, or are not feasible or appropriate:

A person experiencing psychosis for the first time often has only one option - hospitalization. While other Therapeutic Community Residences, Group Homes or Community Care Homes exist that could theoretically accommodate this population, in practice the existing facilities are not able to provide for someone in a crisis state for an extended period of time. The intensive staffing model of Soteria, augmented by specialized training, allows for the accommodation of individuals experiencing a distressing episode of psychosis for the first time. A survey has not been completed to compare costs of other residential facilities.

After a months-long search of available rental properties in the Burlington area, no suitable alternate sites requiring less intensive renovation to meet applicable code and regulations presented themselves.

Criterion (3) There is an identifiable, existing, or reasonably anticipated need for the proposed project which is appropriate for the applicant to provide:

Soteria Vermont is an original service in the state, filling an unmet need identified by the legislature in ACT 79. The project is a specialized early intervention residential program for individuals experiencing an initial psychosis, a service which has never existed in this state but has shown to be greatly successful in other areas (See results from the EPPIC program in Melbourne, Australia[38]; EASA[39] program in Oregon and EPTS[40] (formerly EPP[41]) program in

[34] This utilization estimate was reached using the formula of total annual bed days (365*5=1,825) divided by the average anticipated stay (3 months = 91.25 days).
[35] Reported Annual Operating Budget (http://vtdigger.org/2012/02/29/senate-approves-16-bed-psychiatric-facility-to-replace-vermont-state-hospital/) $22M/54 beds/365
[36] Annualized budget of proposed project $16,992,557/25 beds/365 days
[37] Annualized budget of proposed project $1M/5 beds/365 days
[38] Early Psychosis Prevention and Intervention Center (http://oyh.org.au/our-research/research-areas/first-episode-psychosis)

Calgary, Canada). Early interventions in psychosis with a specialized focus on psychosocial approaches have been demonstrated in many instances to improve functional recovery[42]. Pathways Vermont has a history of providing alternative forms of care within the state and has a proven track record of successfully engaging individuals who are unwilling to engage with services offered by the existing system of care.

Since the closing of the Vermont State Hospital in August 2011, Vermonters have seen a significant increase in the amount of time spent in emergency rooms while waiting for inpatient psychiatric care. Often the wait may be prolonged for days when there are no beds available. These conditions are likely to exacerbate the level of distress of the person seeking care and cause an unfavorable impression of the mental health system. As evidenced by the passionate advocacy by the citizens of Vermont, as well as legislators and providers, the project fills an important need within the continuum of mental health care in the State of Vermont. With the closing of the Vermont State Hospital, the plan laid out by DMH is one that provides greater consumer choice, including more localized services. Soteria Vermont is an important component of this plan as this service provides not only increased options for individuals and families, but does so in a geographical area with the highest concentration of individuals most likely to need the services it provides, young adults. The project is an alternative option for people who are afraid of institutional settings and coercion, who want to minimize or avoid use of medication, and who might otherwise be reluctant to seek help from the mental health service system.

Criterion (4) The project will improve the quality of health care in the state or provide greater access to health care for Vermont's residents, or both:

Soteria Vermont has the potential to provide access to health care for a population that is often reluctant to receive care. By creating a home-like environment that invites residents to establish personal understanding of their own experience, Soteria Vermont strives to create a welcoming atmosphere for those who might be unwilling to admit themselves to a hospital setting. This process of establishing connection is a crucial one for fostering improved health of all kinds. By creating an alliance with residents, staff can facilitate access to a wide array of health care services. This fulfills one of the goals of Act 79, providing services in the least restrictive setting that strives to create full integration into the community.

Criterion (5) The project will not have an undue adverse impact on any other existing services provided by the applicant:

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[39] Early Assessment and Support Alliance (http://www.oregon.gov/oha/amh/pages/services/easa/main.aspx)
[40] Early Psychosis Treatment Service (http://www.albertahealthservices.ca/3941.asp)
[41] Addington, J., Addington, D. (2001). Early Intevention for Psychosis: The Calgary Early Psychosis Treatment and Prevention Program. *CPA Bulletin de l'APC, 11-16.*
[42] Malla et al. (2005). First-Episode Psychosis, Early Intervention, and Outcome: What have we learned? *Canadian Journal of Psychiatry, 50(14), 883.*

Soteria Vermont is an independent program within Pathways Vermont, with a separate, dedicated staff and budget for both Project Development and ongoing operations. Pathways Vermont's other programming − Housing First Program, The Wellness Co-op and The Vermont Support Line − will not be affected by the addition of the project's development and operation.

Criterion (6) The project will serve the public good:

There is a documented trend that the number of people currently enrolled in the Social Security Disability program on the basis of a psychiatric disability has exploded in recent years, increasing from 1.25 million Americans in 1987[43] to 3.97 million Americans in 2007.[44] The project can support residents to make meaning of their experience and integrate this meaning into their lives. Psychosis is less frightening and traumatic for the individual when it is understood as part of the human condition with inherent meaning. When distress associated with the experience is abated, individuals are able to return to normal life activities and ultimately obtain functional recovery, which is crucial for sustained independence. Greater independence affords individuals the ability to be fully contributing members of their communities and to avoid over reliance on the spectrum of services often referred to as the "safety net". This not only reduces the strain on social service systems across the board, but strengthens the vibrancy and vitality of our communities.

Criterion (7) The applicant has adequately considered the availability of affordable, accessible patient transportation services to the facility:

Soteria Vermont is located in the Old North End of Burlington within two blocks of a bus stop on CCTA, less than a five minute walk, and easily accessible to residents as well as family, friends and support network. CCTA is the largest public transportation network in Vermont. The project will make bus vouchers available to all residents. Soteria Vermont is located just over a half mile from the top of Church Street in Burlington. Additionally, the project budget includes a staff vehicle that can be used to facilitate transportation needs that cannot be met by CCTA.

[43] Whitaker, R. (2010). *Anatomy of an Epidemic.* New York, NY: Broadway Paperbacks. (Page 6)
[44] Whitaker, R. (2010). *Anatomy of an Epidemic.* New York, NY: Broadway Paperbacks. (Page 7)

Pathways Vermont
Soteria Vermont
TABLE 1
PROJECT COSTS

Construction Costs			
1.	New Construction		$0
2.	Renovation		$139,300
3.	Site Work		$0
4.	Fixed Equipment		$0
5.	Design/Bidding Contingency		$0
6.	Construction Contingency		$0
7.	Construction Manager Fee		$0
8.	Other (please specify)		$0
		Subtotal	$139,300
Related Project Costs			
1.	Major Moveable Equipment		$17,700
2.	Furnishings, Fixtures & Other Equip.		$24,800
3.	Architectural/Engineering Fees		$1,125
4.	Land Acquisition		$0
5.	Lease of Buildings		$45,600
6.	Administrative Expenses & Permits		$1,793
7.	Debt Financing Expenses (see below)		$0
8.	Debt Service Reserve Fund		$0
9.	Working Capital		$0
10.	Other (please specify)		$0
		Subtotal	$91,018
Total Project Costs			**$230,318**

Debt Financing Expenses			
1.	Capital Interest		$0
2.	Bond Discount or Placement Fee		$0
3.	Misc. Financing Fees & Exp. (issuance cos		$0
4.	Other		$0
		Subtotal	$0
Less Interest Earnings on Funds			
1.	Debt Service Reserve Funds		$0
2.	Capitalized Interest Account		$0
3.	Construction Fund		$0
4.	Other		$0
		Subtotal	$0
Total Debt Financing Expenses			**$0**
	feeds to line 7 above		

Pathways Vermont

Soteria Vermont

TABLE 2

DEBT FINANCING ARRANGEMENT, SOURCES & USES OF FUNDS

Sources of Funds					
1. Financing Instrument		Bond			
a.	Interest Rate	0.0%			
b.	Loan Period		To:		
c.	Amount Financed				$0
2. Equity Contribution					$230,318
3. Other Sources					
a.	Working Capital				$0
b.	Fundraising				$0
c.	Grants				$0
d.	Other				$0
Total Required Funds					**$230,318**

Uses of Funds			
Project Costs (feeds from Table 1)			should be zero
1. New Construction	$0		$0
2. Renovation	$139,300		$0
3. Site Work	$0		$0
4. Fixed Equipment	$0		$0
5. Design/Bidding Contingency	$0		$0
6. Construction Contingency	$0		$0
7. Construction Manager Fee	$0		$0
8. Major Moveable Equipment	$17,700		$0
9. Furnishings, Fixtures & Other Equip.	$24,800		$0
10. Architectural/Engineering Fees	$1,125		$0
11. Land Acquisition	$0		$0
12. Lease of Buildings	$45,600		$0
13. Administrative Expenses & Permits	$1,793		$0
14. Debt Financing Expenses	$0		$0
15. Debt Service Reserve Fund	$0		$0
16. Working Capital	$0		$0
17. Other (please specify)	$0		$0
Total Uses of Funds	**$230,318**		$0

Total sources should equal total uses of funds.

Pathways Vermont
Soteria Vermont
TABLE 3A
INCOME STATEMENT
WITHOUT PROJECT

	Latest Actual	Budget	Proposed Year 1	Proposed Year 2	Proposed Year 3
	7/1/12-6/30/13	7/1/13-6/30/14	7/1/14-6/30/15	7/1/15-6/30/16	7/1/16-6/30/17
Revenues					
Inpatient Care Revenue	$0	$0	$0	$0	$0
Outpatient Care Revenue	1,254	12,000	12,000	12,000	12,000
Chronic/Rehab Revenue	0	0	0	0	0
SNF/ECF Patient Care Revenue	0	0	0	0	0
Swing Beds Patient Care Revenue	0	0	0	0	0
Gross Patient Care Revenue	$1,254	$12,000	$12,000	$12,000	$12,000
Disproportionate Share Payments	$0	$0	$0	$0	$0
Free Care & Bad Debt	0	0	0	0	0
Deductions from Revenue	0	0	0	0	0
Net Patient Care Revenue	$1,254	$12,000	$12,000	$12,000	$12,000
Other Operating Revenue	2,434,845	2,622,906	2,622,906	2,622,906	2,622,906
Total Operating Revenue	$2,436,099	$2,634,906	$2,634,906	$2,634,906	$2,634,906
Operating Expense					
Salaries (Non-MD)	$1,055,602	$1,325,951	$1,325,951	$1,325,951	$1,325,951
Frings Benefits (Non-MD)	386,486	347,652	347,652	347,652	347,652
Physician Fees/Salaries/Contracts/Fring	113,000	138,000	138,000	138,000	138,000
Health Care Provider Tax	0	0	0	0	0
Depreciation/Amortization	0	0	0	0	0
Interest	0	0	0	0	0
Other Operating Expense	895,743	843,303	843,303	843,303	843,303
Total Operating Expense	$2,450,831	$2,654,906	$2,654,906	$2,654,906	$2,654,906
Net Operating Income (Loss)	($14,732)	($20,000)	($20,000)	($20,000)	($20,000)
Non-Operating Revenue	13,906	20,000	20,000	20,000	20,000
Excess (Deficit) of Rev Over Exp	($826)	$0	$0	$0	$0

Pathways Vermont
Soteria Vermont
TABLE 3B
INCOME STATEMENT
PROJECT ONLY

	Latest Actual	Budget	Proposed Year 1	Proposed Year 2	Proposed Year 3
	7/1/12-6/30/13	7/1/13-6/30/14	7/1/14-6/30/15	7/1/15-6/30/16	7/1/16-6/30/17
Revenues					
Inpatient Care Revenue	$0	$0	$0	$0	$0
Outpatient Care Revenue	$0	$0	$0	$0	$0
Chronic/Rehab Revenue	$0	$0	$0	$0	$0
SNF/ECF Patient Care Revenue	$0	$0	$0	$0	$0
Swing Beds Patient Care Revenue	$0	$0	$0	$0	$0
Gross Patient Care Revenue	$0	$0	$0	$0	$0
Disproportionate Share Payments	$0	$0	$0	$0	$0
Free Care & Bad Debt	$0	$0	$0	$0	$0
Deductions from Revenue	$0	$0	$0	$0	$0
Net Patient Care Revenue	$0	$0	$0	$0	$0
Other Operating Revenue	$135,368	$704,632	$1,000,000	$1,000,000	$1,000,000
Total Operating Revenue	$135,368	$704,632	$1,000,000	$1,000,000	$1,000,000
Operating Expense					
Salaries (Non-MD)	$42,186	$234,121	$470,279	$470,279	$470,279
Frings Benefits (Non-MD)	$13,560	$70,236	$131,678	$131,678	$131,678
Physician Fees/Salaries/Contracts/Fring	$0	$22,678	$59,680	$59,680	$59,680
Health Care Provider Tax	$0	$0	$0	$0	$0
Depreciation/Amortization	$0	$0	$0	$0	$0
Interest	$0	$0	$0	$0	$0
Other Operating Expense	$79,622	$377,597	$338,363	$338,363	$338,363
Total Operating Expense	$135,368	$704,632	$1,000,000	$1,000,000	$1,000,000
Net Operating Income (Loss)	$0	$0	$0	$0	$0
Non-Operating Revenue	$0	0	0	0	0
Excess (Deficit) of Rev Over Exp	$0	$0	$0	$0	$0

Pathways Vermont
Soteria Vermont
TABLE 3C
INCOME STATEMENT
WITH PROJECT

	Latest Actual	Budget	Proposed Year 1	Proposed Year 2	Proposed Year 3
	7/1/12-6/30/13	7/1/13-6/30/14	7/1/14-6/30/15	7/1/15-6/30/16	7/1/16-6/30/17
Revenues					
Inpatient Care Revenue		$0	$0	$0	$0
Outpatient Care Revenue	$1,254	$12,000	$12,000	$12,000	$12,000
Chronic/Rehab Revenue	$0	$0	$0	$0	$0
SNF/ECF Patient Care Revenue	$0	$0	$0	$0	$0
Swing Beds Patient Care Revenue	$0	$0	$0	$0	$0
Gross Patient Care Revenue	$1,254	$12,000	$12,000	$12,000	$12,000
Disproportionate Share Payments	$0	$0	$0	$0	$0
Free Care & Bad Debt	$0	$0	$0	$0	$0
Deductions from Revenue	$0	$0	$0	$0	$0
Net Patient Care Revenue	$1,254	$12,000	$12,000	$12,000	$12,000
Other Operating Revenue	$2,570,213	$3,327,538	$3,622,906	$3,622,906	$3,622,906
Total Operating Revenue	$2,571,467	$3,339,538	$3,634,906	$3,634,906	$3,634,906
Operating Expense					
Salaries (Non-MD)	$1,097,788	$1,560,072	$1,796,230	$1,796,230	$1,796,230
Frings Benefits (Non-MD)	$400,046	$417,888	$479,330	$479,330	$479,330
Physician Fees/Salaries/Contracts/Fring	$113,000	$160,678	$197,680	$197,680	$197,680
Health Care Provider Tax	$0	$0	$0	$0	$0
Depreciation/Amortization	$0	$0	$0	$0	$0
Interest	$0	$0	$0	$0	$0
Other Operating Expense	$975,365	$1,220,900	$1,181,666	$1,181,666	$1,181,666
Total Operating Expense	$2,586,199	$3,359,538	$3,654,906	$3,654,906	$3,654,906
Net Operating Income (Loss)	($14,732)	($20,000)	($20,000)	($20,000)	($20,000)
Non-Operating Revenue	$13,906	$20,000	$20,000	$20,000	$20,000
Excess (Deficit) of Rev Over Exp	($826)	$0	$0	$0	$0

Pathways Vermont
Soteria Vermont
TABLE 4A
BALANCE SHEET - UNRESTRICTED FUNDS
WITHOUT PROJECT

ASSETS	Latest Actual 7/1/12-6/30/13	Budget 7/1/13-6/30/14	Proposed Year 1 7/1/14-6/30/15	Proposed Year 2 7/1/15-6/30/16	Proposed Year 3 7/1/16-6/30/17
Current Assets					
Cash & Investments	$0	$100	$3,000	$7,000	$11,000
Patient Accounts Receivable, Gross	$0				
Less: Allowance for Uncollectable Accts.	$0				
Due from Third Parties	$0	$1,200	$2,000	$2,400	$3,000
Other Current Assets	$0				
Total Current Assets	$0	$1,300	$5,000	$9,400	$14,000
Board Designated Assets					
Funded Depreciation	$0	$0	$0	$0	$0
Escrowed Bond Funds					
Other					
Total Board Designated Assets	$0	$0	$0	$0	$0
Property, Plant & Equipment					
Land, Buildings & Improvements	$0	$0	$0	$0	$0
Fixed Equipment					
Major Moveable Equipment					
Construction in Progress					
Total Property, Plant & Equipment	$0	$0	$0	$0	$0
Less: Accumulated Depreciation					
Land, Buildings & Improvements	$0	$0	$0	$0	$0
Fixed Equipment					
Major Moveable Equipment					
Total Accumulated Depreciation	$0	$0	$0	$0	$0
Total Net Property, Plant & Equipment	$0	$0	$0	$0	$0
Other Long-Term Assets	$0	$0	$0	$0	$0
TOTAL ASSETS	**$0**	**$1,300**	**$5,000**	**$9,400**	**$14,000**
LIABILITIES AND FUND BALANCE					
Current Liabilities					
Accounts Payable		$0	$0	$0	$0
Salaries, Wages & Payroll Taxes Payable					
Estimated Third-Party Settlements					
Other Current Liabilities					
Current Portion of Long-Term Debt					
Total Current Liabilities		$0	$0	$0	$0
Long-Term Debt					
Bonds & Mortgages Payable	$0	$0	$0	$0	$0
Capital Lease Obligations	$0	$0	$0	$0	$0
Other Long-Term Debt	$0	$0	$0	$0	$0
Total Long-Term Debt	$0	$0	$0	$0	$0
Total Other Non-Current Liabilities	$0	$0	$0	$0	$0
Total Liabilities	$0	$0	$0	$0	$0
Fund Balance		$1,300	$5,000	$9,400	$14,000
TOTAL LIABILITIES & FUND BALANCE	**$0**	**$1,300**	**$5,000**	**$9,400**	**$14,000**

Pathways Vermont
Soteria Vermont
TABLE 4B
BALANCE SHEET - UNRESTRICTED FUNDS
PROJECT ONLY

ASSETS	Latest Actual 7/1/12-6/30/13	Budget 7/1/13-6/30/14	Proposed Year 1 7/1/14-6/30/15	Proposed Year 2 7/1/15-6/30/16	Proposed Year 3 7/1/16-6/30/17
Current Assets					
Cash & Investments	$0	$0	$0	$0	$0
Patient Accounts Receivable, Gross	$0	$0			
Less: Allowance for Uncollectable Accts.	$0	$0			
Due from Third Parties	$0	$0			
Other Current Assets	$0	$0	$0	$0	$0
Total Current Assets	$0	$0	$0	$0	$0
Board Designated Assets					
Funded Depreciation	$0	$0	$0	$0	$0
Escrowed Bond Funds	$0	$0			
Other	$0	$0			
Total Board Designated Assets	$0	$0	$0	$0	$0
Property, Plant & Equipment					
Land, Buildings & Improvements	$0	$0	$0	$0	$0
Fixed Equipment	$0	$0			
Major Moveable Equipment	$0	$0			
Construction in Progress	$0	$0			
Total Property, Plant & Equipment	$0	$0	$0	$0	$0
Less: Accumulated Depreciation					
Land, Buildings & Improvements	$0	$0	$0	$0	$0
Fixed Equipment	$0	$0			
Major Moveable Equipment	$0	$0			
Total Accumulated Depreciation	$0	$0	$0	$0	$0
Total Net Property, Plant & Equipment	$0	$0	$0	$0	$0
Other Long-Term Assets	$0	$0	$0	$0	$0
TOTAL ASSETS	$0	**$0**	**$0**	**$0**	**$0**
LIABILITIES AND FUND BALANCE					
Current Liabilities					
Accounts Payable	$0	$0	$0	$0	$0
Salaries, Wages & Payroll Taxes Payable	$0	$0	$0	$0	$0
Estimated Third-Party Settlements	$0	$0	$0	$0	$0
Other Current Liabilities	$0	$0	$0	$0	$0
Current Portion of Long-Term Debt	$0	$0	$0	$0	$0
Total Current Liabilities	$0	$0	$0	$0	$0
Long-Term Debt					
Bonds & Mortgages Payable	$0	$0	$0	$0	$0
Capital Lease Obligations	$0	$0	$0	$0	$0
Other Long-Term Debt	$0	$0	$0	$0	$0
Total Long-Term Debt	$0	$0	$0	$0	$0
Total Other Non-Current Liabilities	$0	$0	$0	$0	$0
Total Liabilities	$0	$0	$0	$0	$0
Fund Balance	$0	$0	$0	$0	$0
TOTAL LIABILITIES & FUND BALANCE	$0	**$0**	**$0**	**$0**	**$0**

Pathways Vermont
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TABLE 4C
BALANCE SHEET - UNRESTRICTED FUNDS
WITH PROJECT

ASSETS	Latest Actual	Budget	Proposed Year 1	Proposed Year 2	Proposed Year 3
	7/1/12-6/30/13	7/1/13-6/30/14	7/1/14-6/30/15	7/1/15-6/30/16	7/1/16-6/30/17
Current Assets					
Cash & Investments	$0	$100	$3,000	$7,000	$11,000
Patient Accounts Receivable, Gross	$0	$0	$0	$0	$0
Less: Allowance for Uncollectable Accts.	$0	$0	$0	$0	$0
Due from Third Parties	$0	$1,200	$2,000	$2,400	$3,000
Other Current Assets	$0	$0	$0	$0	$0
Total Current Assets	$0	$1,300	$5,000	$9,400	$14,000
Board Designated Assets					
Funded Depreciation	$0	$0	$0	$0	$0
Escrowed Bond Funds	$0	$0	$0	$0	$0
Other	$0	$0	$0	$0	$0
Total Board Designated Assets	$0	$0	$0	$0	$0
Property, Plant & Equipment					
Land, Buildings & Improvements	$0	$0	$0	$0	$0
Fixed Equipment	$0	$0	$0	$0	$0
Major Moveable Equipment	$0	$0	$0	$0	$0
Construction in Progress	$0	$0	$0	$0	$0
Total Property, Plant & Equipment	$0	$0	$0	$0	$0
Less: Accumulated Depreciation					
Land, Buildings & Improvements	$0	$0	$0	$0	$0
Fixed Equipment	$0	$0	$0	$0	$0
Major Moveable Equipment	$0	$0	$0	$0	$0
Total Accumulated Depreciation	$0	$0	$0	$0	$0
Total Net Property, Plant & Equipment	$0	$0	$0	$0	$0
Other Long-Term Assets	$0	$0	$0	$0	$0
TOTAL ASS	**$0**	**$1,300**	**$5,000**	**$9,400**	**$14,000**
LIABILITIES AND FUND BALANCE					
Current Liabilities					
Accounts Payable	$0	$0	$0	$0	$0
Salaries, Wages & Payroll Taxes Payable	$0	$0	$0	$0	$0
Estimated Third-Party Settlements	$0	$0	$0	$0	$0
Other Current Liabilities	$0	$0	$0	$0	$0
Current Portion of Long-Term Debt	$0	$0	$0	$0	$0
Total Current Liabilities	$0	$0	$0	$0	$0
Long-Term Debt					
Bonds & Mortgages Payable	$0	$0	$0	$0	$0
Capital Lease Obligations	$0	$0	$0	$0	$0
Other Long-Term Debt	$0	$0	$0	$0	$0
Total Long-Term Debt	$0	$0	$0	$0	$0
Total Other Non-Current Liabilities	$0	$0	$0	$0	$0
Total Liabilities	$0	$0	$0	$0	$0
Fund Balance	$0	$1,300	$5,000	$9,400	$14,000
TOTAL LIABILITIES & FUND BALANCE	**$0**	**$1,300**	**$5,000**	**$9,400**	**$14,000**

Pathways Vermont
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TABLE 5A
STATEMENT OF CASH FLOWS
WITHOUT PROJECT

	Latest Actual	Budget	Proposed Year 1	Proposed Year 2	Proposed Year 3
	7/1/12-6/30/13	7/1/13-6/30/14	7/1/14-6/30/15	7/1/15-6/30/16	7/1/16-6/30/17
Beginning Cash	$12,098	$11,272	$12,572	$16,272	$20,672
Operations					
Excess revenues over expenses	-$826	$1,300	$5,000	$9,400	$14,000
Depreciation / Amortization	$0	$0	$0	$0	$0
(Increase)/Decrease Patient A/R	$0	$0	$0	$0	$0
(Increase)/Decrease Other Changes	$0	$0	$0	$0	$0
Subtotal Cash from Operations	($826)	$1,300	$5,000	$9,400	$14,000
Investing Activity					
Capital Spending					
Capital					
Capitalized Interest					
Change in accum depr less depreciation	$0	$0	$0	$0	$0
(Increase) Decrease in capital assets	$0	$0	$0	$0	$0
Subtotal Capital Spending	$0	$0	$0	$0	$0
(Increase) / Decrease					
Funded Depreciation		$0	$0	$0	$0
Other LT assets & escrowed bonds & other		$0	$0	$0	$0
Subtotal (Increase) / Decrease	$0	$0	$0	$0	$0
Subtotal Cash from Investing Activity	$0	$0	$0	$0	$0
Financing Activity					
Debt (increase) decrease					
Bonds & mortgages		$0	$0	$0	$0
Repayment					
Capital lease & other long term debt	$0	$0	$0	$0	$0
Subtotal Cash from Financing Activity	$0	$0	$0	$0	$0
Other Changes (please describe)					
Manual adjustment					
Other					
Change in fund balance less net income		0	(1,300)	(5,000)	(9,400)
Other					
Subtotal Other Changes	$0	$0	($1,300)	($5,000)	($9,400)
Net Increase (Decrease) in Cash	($826)	$1,300	$3,700	$4,400	$4,600
Ending Cash	$11,272	$12,572	$16,272	$20,672	$25,272
Edit	$11,272	$12,472	$13,272	$13,672	$14,272

Pathways Vermont
Soteria Vermont
TABLE 5B
STATEMENT OF CASH FLOWS
PROJECT ONLY

	Latest Actual	Budget	Proposed Year 1	Proposed Year 2	Proposed Year 3
	7/1/12-6/30/13	7/1/13-6/30/14	7/1/14-6/30/15	7/1/15-6/30/16	7/1/16-6/30/17
Beginning Cash	$0	$0	$0	$0	$0
Operations					
Excess revenues over expenses	$0	$0	$0	$0	$0
Depreciation / Amortization	$0	$0	$0	$0	$0
(Increase)/Decrease Patient A/R	$0	$0	$0	$0	$0
(Increase)/Decrease Other Changes			$0	$0	$0
Subtotal Cash from Operations	$0	$0	$0	$0	$0
Investing Activity					
Capital Spending					
Capital	$0				
Capitalized Interest	$0				
Change in accum depr less depreciation	$0	$0	$0	$0	$0
(Increase) Decrease in capital assets	$0	$0	$0	$0	$0
Subtotal Capital Spending	$0	$0	$0	$0	$0
(Increase) / Decrease					
Funded Depreciation	$0	$0	$0	$0	$0
Other LT assets & escrowed bonds & other	$0	$0	$0	$0	$0
Subtotal (Increase) / Decrease	$0	$0	$0	$0	$0
Subtotal Cash from Investing Activity	$0	$0	$0	$0	$0
Financing Activity					
Debt (increase) decrease					
Bonds & mortgages	$0	$0	$0	$0	$0
Repayment	$0				
Capital lease & other long term debt	$0	$0	$0	$0	$0
Subtotal Cash from Financing Activity	$0	$0	$0	$0	$0
Other Changes (please describe)					
Manual adjustment	$0				
Other	$0				
Change in fund balance less net income	$0	$0	$0	$0	$0
Other	$0				
Subtotal Other Changes	$0	$0	$0	$0	$0
Net Increase (Decrease) in Cash	$0	$0	$0	$0	$0
Ending Cash	$0	$0	$0	$0	$0
Edit		$0	$0	$0	$0

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TABLE 5C

STATEMENT OF CASH FLOWS

WITH PROJECT

	Latest Actual	Budget	Proposed Year 1	Proposed Year 2	Proposed Year 3
	7/1/12-6/30/13	7/1/13-6/30/14	7/1/14-6/30/15	7/1/15-6/30/16	7/1/16-6/30/17
Beginning Cash	$12,098	$11,272	$12,572	$16,272	$20,672
Operations					
Excess revenues over expenses	(826)	$1,300	$5,000	$9,400	$14,000
Depreciation / Amortization	$0	$0	$5,000	$0	$0
(Increase)/Decrease Patient A/R	$0	$0	$0	$0	$0
(Increase)/Decrease Other Changes	$0	$0	$0	$0	$0
Subtotal Cash from Operations	($826)	$1,300	$10,000	$9,400	$14,000
Investing Activity					
Capital Spending					
Capital	$0	$0	$0	$0	$0
Capitalized Interest	$0	$0	$0	$0	$0
Change in accum depr less depreciation	$0	$0	$0	$0	$0
(Increase) Decrease in capital assets	$0	$0	$0	$0	$0
Subtotal Capital Spending	$0	$0	$0	$0	$0
(Increase) / Decrease					
Funded Depreciation	$0	$0	$0	$0	$0
Other LT assets & escrowed bonds & other	$0	$0	$0	$0	$0
Subtotal (Increase) / Decrease	$0	$0	$0	$0	$0
Subtotal Cash from Investing Activity	$0	$0	$0	$0	$0
Financing Activity					
Debt (increase) decrease					
Bonds & mortgages	0	0	0	0	0
Repayment	0	0	0	0	0
Capital lease & other long term debt	0	0	0	0	0
Subtotal Cash from Financing Activity	$0	$0	$0	$0	$0
Other Changes (please describe)					
Manual adjustment	0	0	0	0	0
Other	0	0	0	0	0
Change in fund balance less net income	0	0	(1,300)	(5,000)	(9,400)
Other	0	0	0	0	0
Subtotal Other Changes	$0	$0	($1,300)	($5,000)	($9,400)
Net Increase (Decrease) in Cash	($826)	$1,300	$8,700	$4,400	$4,600
Ending Cash	$11,272	$12,572	$21,272	$20,672	$25,272
Edit	$11,272	$12,472	$18,272	$13,672	$14,272

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TABLE 6A
REVENUE SOURCE PROJECTIONS
WITHOUT PROJECT

	Latest Actual 7/1/12-6/30/13	% of Total	Budget 7/1/13-6/30/14	% of Total	Proposed Year 1 7/1/14-6/30/15	% of Total	Proposed Year 2 7/1/15-6/30/16	% of Total	Proposed Year 3 7/1/16-6/30/17	% of Total
Gross Inpatient Revenue										
Medicare	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Medicaid		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Commercial		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Self Pay		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Free Care / Bad Debt		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Other		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Gross Outpatient Revenue										
Medicare	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Medicaid	1,254	100.0%	12,000	100.0%	12,000	100.0%	12,000	100.0%	12,000	100.0%
Commercial	0	0.0%	0	0.0%		0.0%		0.0%		0.0%
Self Pay	0	0.0%	0	0.0%		0.0%		0.0%		0.0%
Free Care / Bad Debt	0	0.0%	0	0.0%		0.0%		0.0%		0.0%
Other	0	0.0%	0	0.0%		0.0%		0.0%		0.0%
	$1,254	100.0%	$12,000	100.0%	$12,000	100.0%	$12,000	100.0%	$12,000	100.0%
Gross Other Revenue										
Medicare	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Medicaid	0	0.0%		0.0%		0.0%		0.0%		0.0%
Commercial	0	0.0%		0.0%		0.0%		0.0%		0.0%
Self Pay	0	0.0%		0.0%		0.0%		0.0%		0.0%
Free Care / Bad Debt	0	0.0%		0.0%		0.0%		0.0%		0.0%
Other	2,434,845	100.0%	2,654,906	100.0%	2,654,906	100.0%	2,654,906	100.0%	2,654,906	100.0%
	$2,434,845	100.0%	$2,654,906	100.0%	$2,654,906	100.0%	$2,654,906	100.0%	$2,654,906	100.0%
Gross Patient Revenue										
Medicare	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Medicaid	1,254	0.1%	12,000	0.4%	12,000	0.4%	12,000	0.4%	12,000	0.4%
Commercial	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Self Pay	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Free Care / Bad Debt	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	2,434,845	99.9%	2,654,906	99.6%	2,654,906	99.6%	2,654,906	99.6%	2,654,906	99.6%
	$2,436,099	100.0%	$2,666,906	100.0%	$2,666,906	100.0%	$2,666,906	100.0%	$2,666,906	100.0%
Deductions from Revenue										
Medicare	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Medicaid	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Commercial	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Self Pay	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Free Care / Bad Debt	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Other	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Net Patient Revenue										
Medicare	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Medicaid	1,254	0.1%	12,000	0.4%	12,000	0.4%	12,000	0.4%	12,000	0.4%
Commercial	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Self Pay	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Free Care / Bad Debt	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	2,434,845	99.9%	2,654,906	99.6%	2,654,906	99.6%	2,654,906	99.6%	2,654,906	99.6%
DSP	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	$2,436,099	100.0%	$2,666,906	100.0%	$2,666,906	100.0%	$2,666,906	100.0%	$2,666,906	100.0%

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TABLE 6B

REVENUE SOURCE PROJECTIONS

PROJECT ONLY

	Latest Actual 7/1/12-6/30/13	% of Total	Budget 7/1/13-6/30/14	% of Total	Proposed Year 1 7/1/14-6/30/15	% of Total	Proposed Year 2 7/1/15-6/30/16	% of Total	Proposed Year 3 7/1/16-6/30/17	% of Total
Gross Inpatient Revenue										
Medicare	$0		$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Medicaid	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Commercial	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Self Pay	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Free Care / Bad Debt	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Other	$0		0	100.0%	0	100.0%	0	100.0%	0	100.0%
	$0		$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Gross Outpatient Revenue										
Medicare	$0		$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Medicaid	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Commercial	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Self Pay	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Free Care / Bad Debt	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Other	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	$0		$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Gross Other Revenue										
Medicare	$0		$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Medicaid	$0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
Commercial	$0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
Self Pay	$0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
Free Care / Bad Debt	$0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	$135,368	100.0%	704,632	100.0%	1,000,000	100.0%	1,000,000	100.0%	1,000,000	100.0%
	$135,368	100.0%	$704,632	100.0%	$1,000,000	100.0%	$1,000,000	100.0%	$1,000,000	100.0%
Gross Patient Revenue										
Medicare	$0		$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Medicaid	$0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
Commercial	$0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
Self Pay	$0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
Free Care / Bad Debt	$0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	$135,368	100.0%	704,632	100.0%	1,000,000	100.0%	1,000,000	100.0%	1,000,000	100.0%
	$135,368	100.0%	$704,632	100.0%	$1,000,000	100.0%	$1,000,000	100.0%	$1,000,000	100.0%
Deductions from Revenue										
Medicare	$0		$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Medicaid	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Commercial	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Self Pay	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Free Care / Bad Debt	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Other	$0		0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	$0		$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Net Patient Revenue										
Medicare	$0		$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Medicaid	$0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
Commercial	$0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
Self Pay	$0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
Free Care / Bad Debt	$0		0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	$135,368	100.0%	704,632	100.0%	1,000,000	100.0%	1,000,000	100.0%	1,000,000	100.0%
DSP	N/A		N/A		N/A		N/A		N/A	
	$135,368	100.0%	$704,632	100.0%	$1,000,000	100.0%	$1,000,000	100.0%	$1,000,000	100.0%

Pathways Vermont

Soteria Vermont

TABLE 6C

REVENUE SOURCE PROJECTIONS

WITH PROJECT

	Latest Actual 7/1/12-6/30/13	% of Total	Budget 7/1/13-6/30/14	% of Total	Proposed Year 1 7/1/14-6/30/15	% of Total	Proposed Year 2 7/1/15-6/30/16	% of Total	Proposed Year 3 7/1/16-6/30/17	% of Total
Gross Inpatient Revenue										
Medicare	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Medicaid		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Commercial		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Self Pay		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Free Care / Bad Debt		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Other		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Gross Outpatient Revenue										
Medicare	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Medicaid	1,254	100.0%	12,000	100.0%	12,000	100.0%	12,000	100.0%	12,000	100.0%
Commercial	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Self Pay	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Free Care / Bad Debt	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	$1,254	100.0%	$12,000	100.0%	$12,000	100.0%	$12,000	100.0%	$12,000	100.0%
Gross Other Revenue										
Medicare	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Medicaid	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Commercial	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Self Pay	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Free Care / Bad Debt	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	2,434,845	100.0%	3,359,538	100.0%	3,654,906	100.0%	3,654,906	100.0%	3,654,906	100.0%
	$2,434,845	100.0%	$3,359,538	100.0%	$3,654,906	100.0%	$3,654,906	100.0%	$3,654,906	100.0%
Gross Patient Revenue										
Medicare	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Medicaid	1,254	0.1%	12,000	0.4%	12,000	0.3%	12,000	0.3%	12,000	0.3%
Commercial	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Self Pay	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Free Care / Bad Debt	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	2,434,845	99.9%	3,359,538	99.6%	3,654,906	99.7%	3,654,906	99.7%	3,654,906	99.7%
	$2,436,099	100.0%	$3,371,538	100.0%	$3,666,906	100.0%	$3,666,906	100.0%	$3,666,906	100.0%
Deductions from Revenue										
Medicare	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Medicaid	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Commercial	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Self Pay	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Free Care / Bad Debt	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Other	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!	$0	#DIV/0!
Net Patient Revenue										
Medicare	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Medicaid	1,254	0.1%	12,000	0.4%	12,000	0.3%	12,000	0.3%	12,000	0.3%
Commercial	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Self Pay	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Free Care / Bad Debt	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	2,434,845	99.9%	3,359,538	99.6%	3,654,906	99.7%	3,654,906	99.7%	3,654,906	99.7%
DSP	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	$2,436,099	100.0%	$3,371,538	100.0%	$3,666,906	100.0%	$3,666,906	100.0%	$3,666,906	100.0%

Pathways Vermont
Soteria Vermont
TABLE 7
UTILIZATION PROJECTIONS
TOTALS

A: WITHOUT PROJECT	Latest Actual FYE 6/30/13	Budget FYE 6/30/14	Proposed Year 1 FYE 6/30/15	Proposed Year 2 FYE 6/30/16	Proposed Year 3 FYE 6/30/17
Inpatient Utilization					
Staffed Beds					
Admissions					
Patient Days					
Average Length of Stay					
Outpatient Utilization					
All Outpatient Visits	20,116	25,706	29,193	32,680	36,167
OR Procedures					
Observation Units					
Physician Office Visits					
Ancillary					
All OR Procedures					
Emergency Room Visits					
Adjusted Statistics					
Adjusted Admissions					
Adjusted Patient Days					

B: PROJECT ONLY	Latest Actual FYE 6/30/13	Budget FYE 6/30/14	Proposed Year 1 FYE 6/30/15	Proposed Year 2 FYE 6/30/16	Proposed Year 3 FYE 6/30/17
Inpatient Utilization					
Staffed Beds	N/A	5	5	5	5
Admissions	N/A	10	20	20	20
Patient Days	N/A	690	1,825	1,825	1,825
Average Length of Stay	N/A	90.00	90.00	90.00	90.00
Outpatient Utilization	N/A				
All Outpatient Visits	N/A	0	0	0	0
OR Procedures	N/A	0	0	0	0
Observation Units	N/A	0	0	0	0
Physician Office Visits	N/A	0	0	0	0
Ancillary	N/A				
All OR Procedures	N/A	0	0	0	0
Emergency Room Visits	N/A	0	0	0	0
Adjusted Statistics	N/A		0	0	0
Adjusted Admissions	N/A	0	0	0	0
Adjusted Patient Days	N/A	0	0	0	0

C: WITH PROJECT	Latest Actual FYE 6/30/13	Budget FYE 6/30/14	Proposed Year 1 FYE 6/30/15	Proposed Year 2 FYE 6/30/16	Proposed Year 3 FYE 6/30/17
Inpatient Utilization					
Staffed Beds					
Admissions		10	20	20	20
Patient Days		690	1,825	1,825	1,825
Average Length of Stay		90.00	90.00	90.00	90.00
Outpatient Utilization					
All Outpatient Visits	20,116	25,706	29,193	32,680	36,167
OR Procedures		0	0	0	0
Observation Units		0	0	0	0
Physician Office Visits		0	0	0	0
Ancillary					
All OR Procedures		0	0	0	0
Emergency Room Visits		0	0	0	0
Adjusted Statistics					
Adjusted Admissions					
Adjusted Patient Days					

Pathways Vermont
Soteria Vermont
TABLE 9
STAFFING PROJECTIONS
TOTALS

A: WITHOUT PROJECT	Latest Actual FYE 6/30/13	Budget FYE 6/30/14	Proposed Year 1 FYE 6/30/15	Proposed Year 2 FYE 6/30/16	Proposed Year 3 FYE 6/30/17
Non-MD FTEs					
Total General Services	8.0	9.0	9.0	9.0	9.0
Total Inpatient Routine Services	0.0	0.0	0.0	0.0	0.0
Total Outpatient Routine Services	23.2	29.2	29.2	29.2	29.2
Total Ancillary Services	0.0	0.0	0.0	0.0	0.0
Total Other Services	0.0	0.0	0.0	0.0	0.0
Total Non-MD FTEs	31.2	38.2	38.2	38.2	38.2
Physician FTEs	0.0	0.0	0.0	0.0	0.0
Direct Service Nurse FTEs	1.1	1.1	1.1	1.1	1.1

B: PROJECT ONLY	Latest Actual FYE 6/30/13	Budget FYE 6/30/14	Proposed Year 1 FYE 6/30/15	Proposed Year 2 FYE 6/30/16	Proposed Year 3 FYE 6/30/17
Non-MD FTEs					
Total General Services	1.5	3.5	3.5	3.5	3.5
Total Inpatient Routine Services		10.5	10.5	10.5	10.5
Total Outpatient Routine Services					
Total Ancillary Services					
Total Other Services					
Total Non-MD FTEs		14.0	14.0	14.0	14.0
Physician Services					
Direct Service Nurse FTEs					

C: WITH PROJECT	Latest Actual FYE 6/30/13	Budget FYE 6/30/14	Proposed Year 1 FYE 6/30/15	Proposed Year 2 FYE 6/30/16	Proposed Year 3 FYE 6/30/17
Non-MD FTEs					
Total General Services	9.5	12.5	12.5	12.5	12.5
Total Inpatient Routine Services	0.0	10.5	10.5	10.5	10.5
Total Outpatient Routine Services	23.2	29.2	29.2	29.2	29.2
Total Ancillary Services	0.0	0.0	0.0	0.0	0.0
Total Other Services	0.0	0.0	0.0	0.0	0.0
Total Non-MD FTEs	32.7	52.2	52.2	52.2	52.2
Physician Services	0.0	0.0	0.0	0.0	0.0
Direct Service Nurse FTEs	1.1	1.1	1.1	1.1	1.1

		Pathways Vermont	
		Soteria Vermont	
		Line Item Budget	
	7/1/12-6/30/13	7/1/13-6/30/14	7/1/14-6/30/15
REVENUE	**135,368**	**704,632**	**1,000,000**
EXPENSE			
Salary Expense			
Housing Specialist		2,660	7,000
Project Assistant	12,272	26,000	26,000
Executive Director	3,483	7,379	7,379
Program Assistant		1,710	4,500
Soteria Program Director	26,431	56,000	56,000
Aftercare Coordinator		13,300	35,000
Bookkeeper		6,080	16,000
House Manager		15,200	40,000
Residential Assistants		105,792	278,400
Total Salary	**42,186**	**234,121**	**470,279**
Fringe	13,560	70,236	131,678
Total Salary & Fringe	**55,746**	**304,357**	**601,957**
Contracted Expense			
Housekeeper		1,422	3,742
Naturopathic M.D.		6,080	16,000
Psychiatrist (Soteria)		16,598	43,680
Total Contracts	**0**	**24,100**	**63,422**
Operating Expense			
Tenant rent		22,000	52,800
Resident food, activities, personal needs		27,265	71,750
Heat		1,616	4,000
Utilities	329	1,772	4,400
Telecommunication /Cell Phone	1,701	3,607	8,460
Events & trainings	9,008		
Travel (meetings, conferences)	8,473	2,032	1,800
IT Support		2,736	7,200
Equipment	1,437	6,972	18,230
Supplies	3,325	2,720	3,200
Postage	157	696	300
Building Maintenance	435	5,700	15,000
Legal Fees	357	1,900	5,000
Vehicle Lease / Gas / Maintenance		3,928	10,338
Staff Training	7,800	9,500	25,000
Office rental	6,800	5,950	
Administrative Contribution	25,000	62,263	107,143
Total Operating Expense	**64,822**	**160,657**	**334,621**
Development Costs	14,800	**215,518**	
Grand Total Expenses	**135,368**	**704,632**	**1,000,000**

Administrative Offices
1233 Shelburne Road
Suite E6
South Burlington, VT 05403
(888) 492-8218

CON Application- Soteria Vermont

Explanation of financial tables

Background

The budget for the proposed project is provided by the Department of Mental Health, per Act 79. DMH has a history of providing ongoing financial backing for specific community programs, such as Another Way in Montpelier, Vermont Psychiatric Survivors based out of Rutland and Alyssum in Rochester . These organizations have arrangements that provide for direct funding from DMH that has been renewed annually ongoing. It is expected that the project's revenue will also be supplied annually through the DMH budget.

Pathways Vermont received a $300,000 development grant from DMH for Soteria Vermont on September 1, 2012. This grant was for the time period September 1, 2012 to December 31, 2013 with an anticipated start date of January 1, 2014. The start date has since been pushed back to February 1, 2014. $135,368 of this initial grant was expended in Fiscal Year Ending June 30, 2013. This left a balance of $164,632 for July 1, 2013 to December 31, 2013. In FY 14 DMH committed an additional $40,000 for construction, as well as $500,000 originally budgeted by DMH for FY14. That brings revenue for FY14 to $704,632. The program is anticipated to open in February of 2014. Thus, a portion of the FY14 expenses are for development and the remainder is for operations for the balance of the fiscal year.

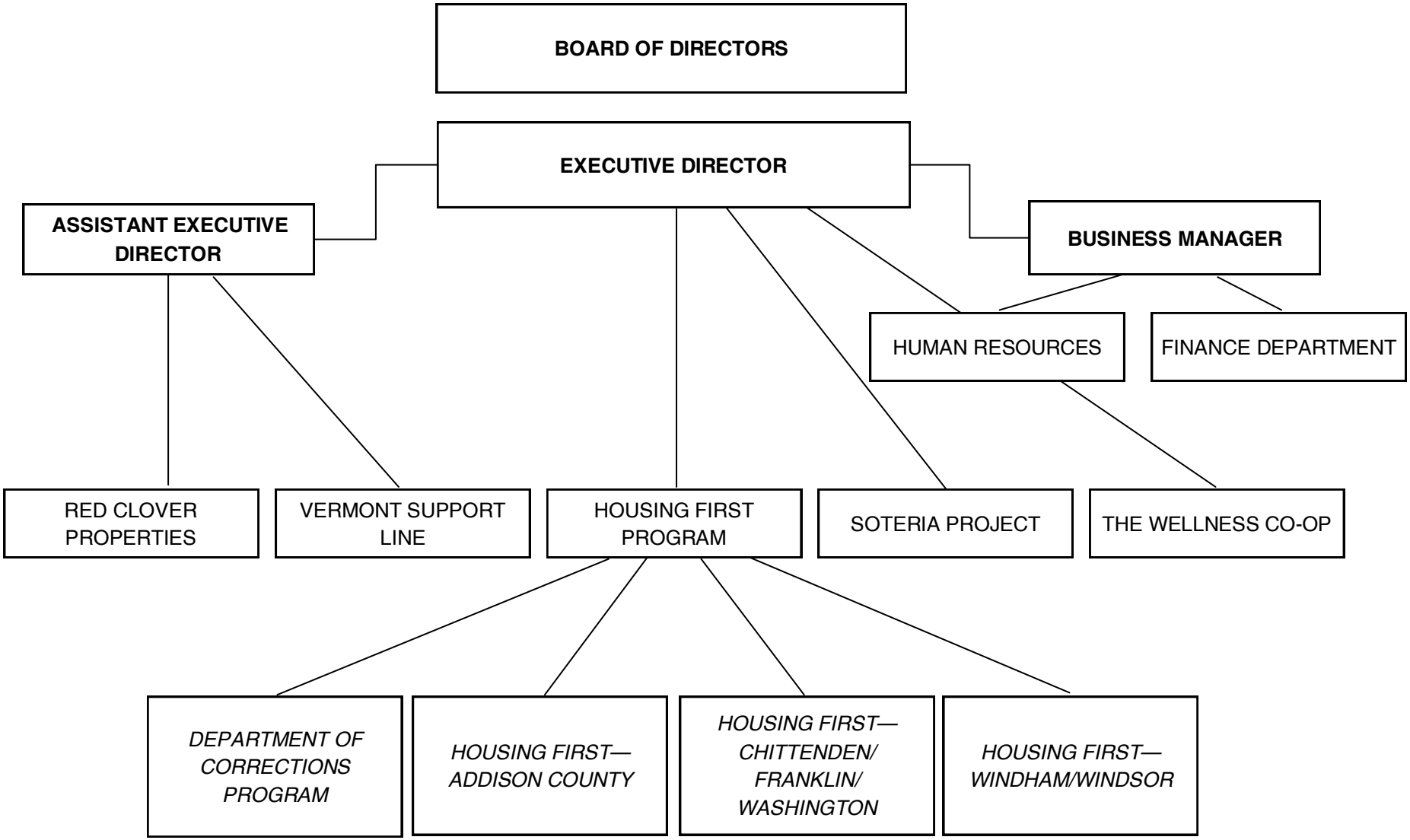
Table 1 provides a financial statement for the development costs of the proposed project. The facility is leased from a private landlord in Burlington but all renovations are being financed by Pathways Vermont.
Table 2 shows no debt financing as funding is coming solely from DMH.
Table 3A details limited Medicaid funding (Outpatient Care Revenue) and fundraising (Non-Operating Revenue). All remaining revenue comes from grant funds.
Table 3B shows all revenue of the project under Other Operating Revenue. The column labeled Latest Actual 7/1/12-6/30/13 show development costs incurred in FY13 ($135,368). The column labeled Budget 7/1/13-6/30/14 is a combination of development and operation costs ($704,632). It is anticipated that the population being served will have no resources, including Medicaid or Medicare. Because incoming residents will be experiencing an initial episode of psychosis, they will not have a history that might have led them to be determined by Social Security Administration as disabled and therefore will not have Medicaid or Medicare. Admissions will not be means tested meaning residents will be admitted based solely on clinical requirements, not financial status.
Table 3C totals tables 3A and 3B.
Table 4A shows projected Pathways Vermont fundraising surplus (Cash and Investments) and Medicaid billing surplus (Due from Third Parties).
Table 4B includes no values as the project has no unrestricted funds.

Administrative Offices
1233 Shelburne Road
Suite E6
South Burlington, VT 05403
(888) 492-8218

Table 4C totals tables 4A and 4B.
Table 5A shows anticipated Pathways Vermont cash flow through FY17. As PVT is largely grant funded, there is minimal difference between revenue and expenses. The slight increase in excess revenue is for anticipated increase in fundraising.
Table 5B shows no cash flow as the project is all grant funded.
Table 5C totals 5A and 5B.
Table 6A details minimal Medicaid revenue with a small estimated increase. The remaining revenue comes from grants.
Table 6B shows all project revenue under Other as they are grant funds.The column labeled Latest Actual 7/1/12-6/30/13 show development costs incurred in FY13 ($135,368). The column labeled Budget 7/1/13-6/30/14 is a combination of development and operation costs ($704,632).
Table 6C totals 6A and 6B.
Table 7A indicates that all Pathways Vermont client contacts are outpatient visits. Increases in services provided are being seen across all three PVT programs through the first quarter of FY14. These increases are projected through FY17.
Table 7B is based on admitting three residents in February 2014 and two in March 2014. Anticipated average length of stay is 90 days. It is expected the project will remain at capacity after the initial opening months.
Table 7C totals 7A and 7B.
Table 9A shows Pathways Vermont administrative staff on the General Services line. All direct service employees are shown on the Outpatient Routine Services line. Physician services are contracted.
Table 9B breaks project staff into two categories. General Services include Project Director, House Manager, Project Assistant and four quarter time support positions. The 1.5 FTE positions for FYE 6/30/13 are the Program Director and Project Assistant. Staff detailed on Outpatient Routine Services are Residential Assistants. Physician services are contracted.
Table 9C totals 9A and 9B.

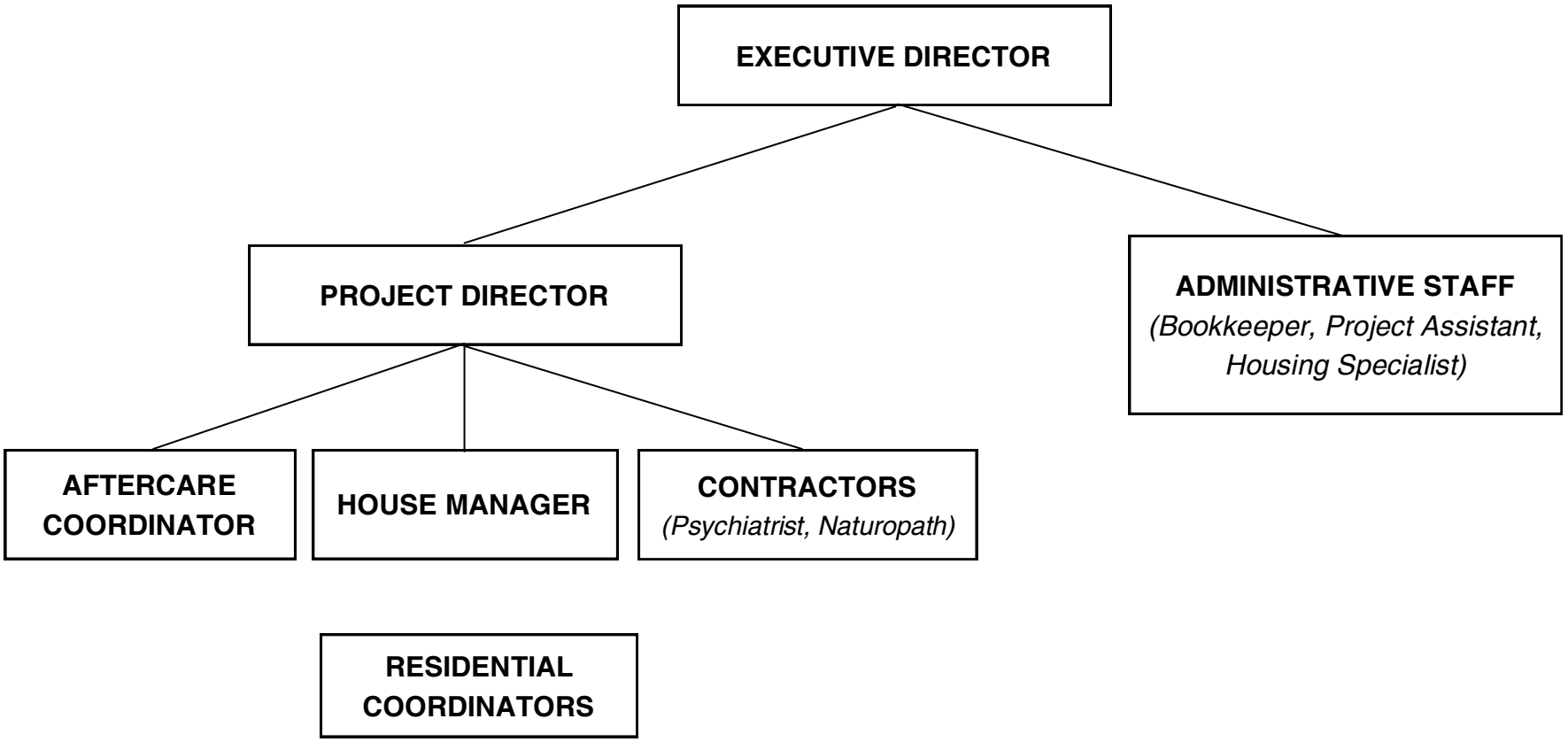
PathwaysVermont

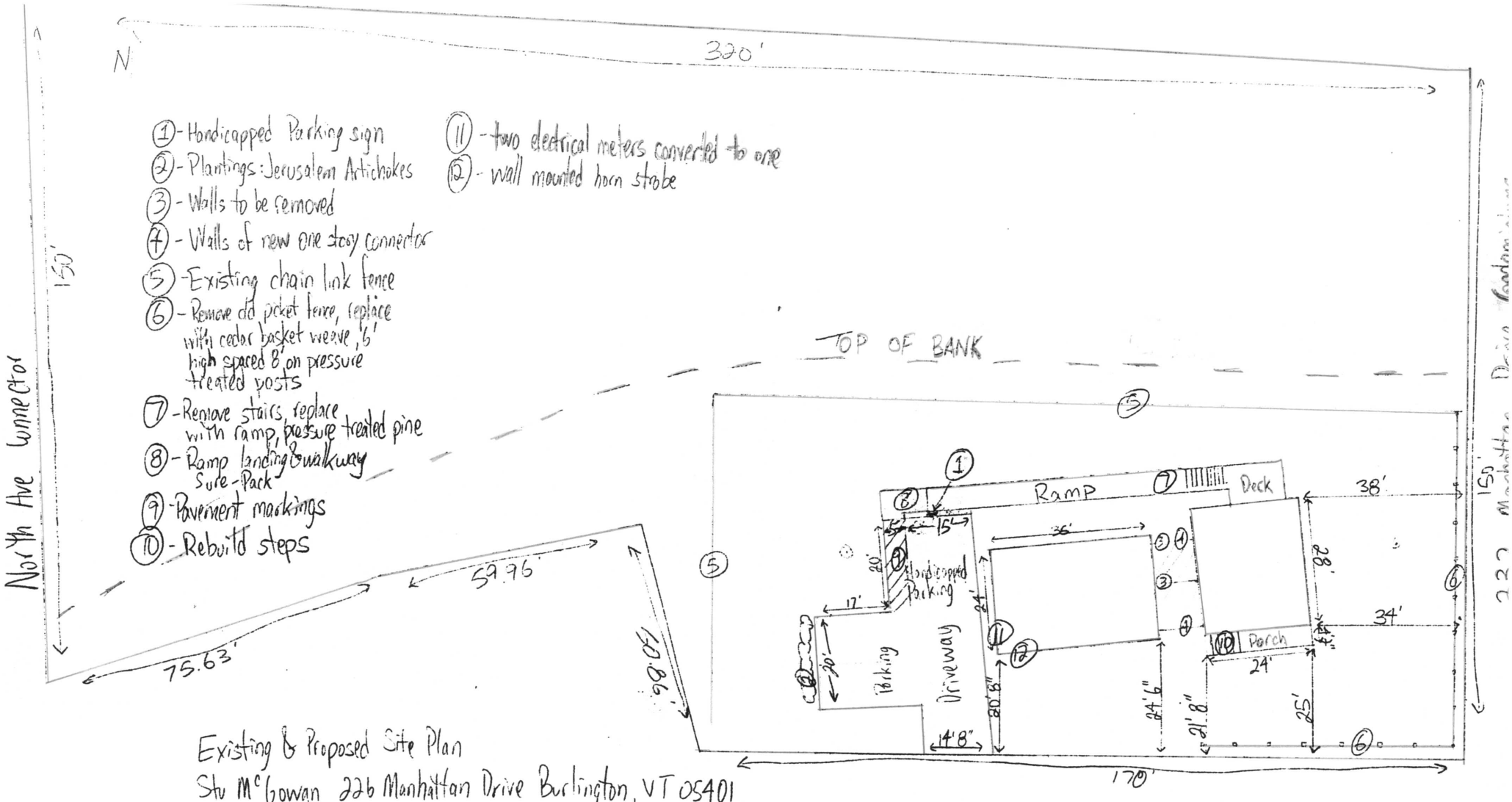
ORGANIZATIONAL STRUCTURE



PathwaysVermont

SOTERIA PROJECT
PROPOSED PROGRAM STRUCTURE



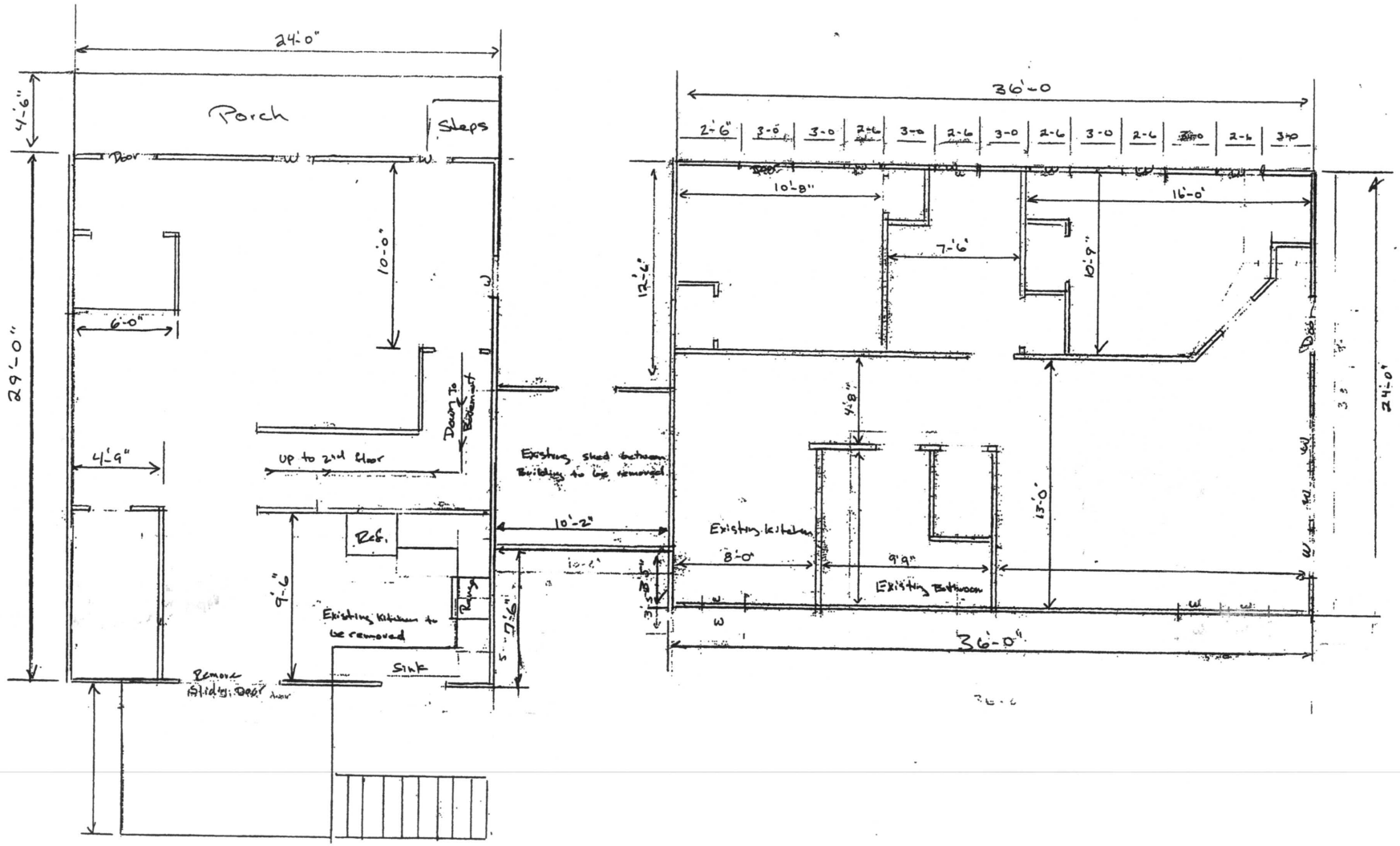


Existing & Proposed Site Plan
Stu McGowan 226 Manhattan Drive Burlington, VT 05401
Scale 1" = 20'
August 30, 2013

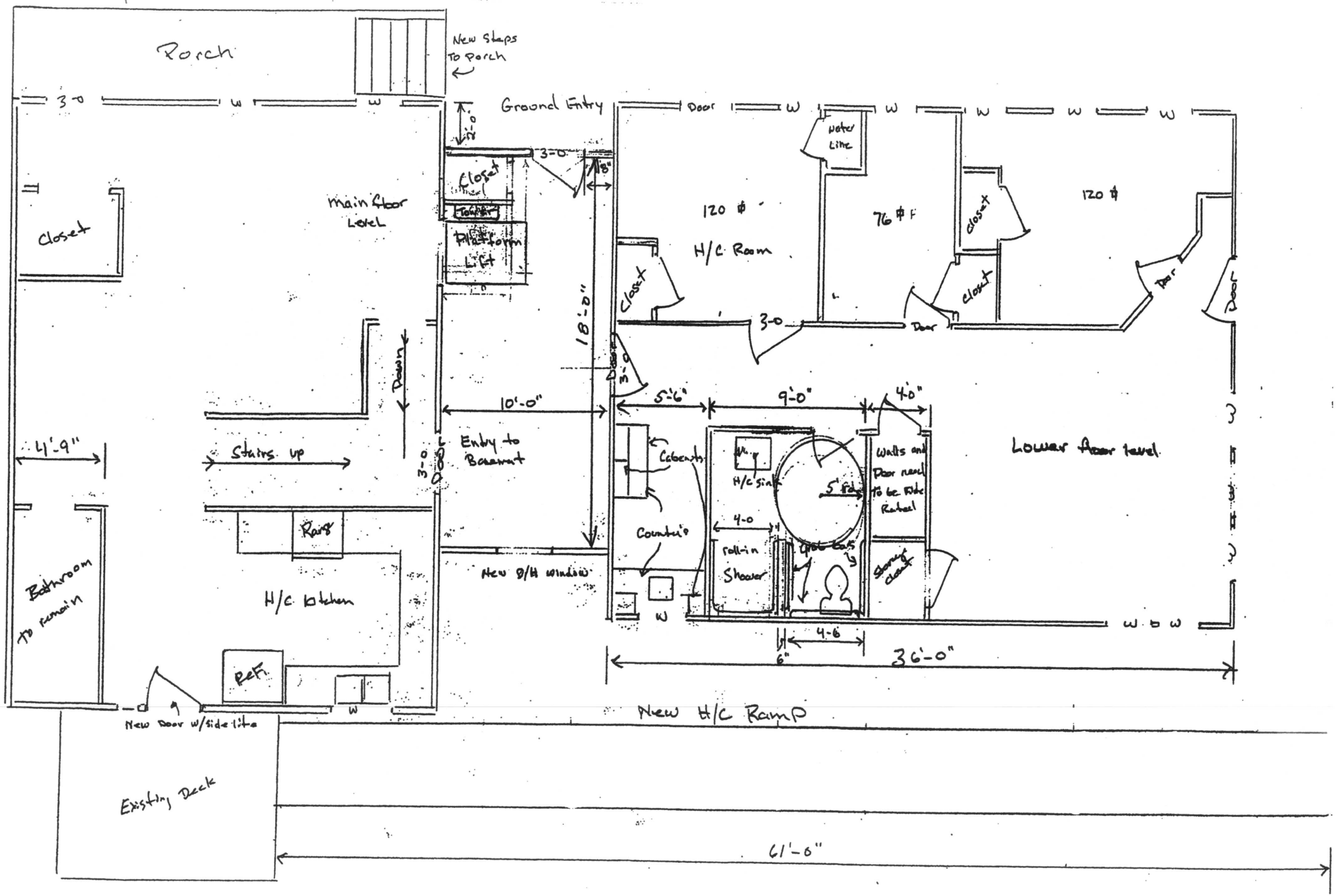
Manhattan Drive

Pathways Vermont-Soteria

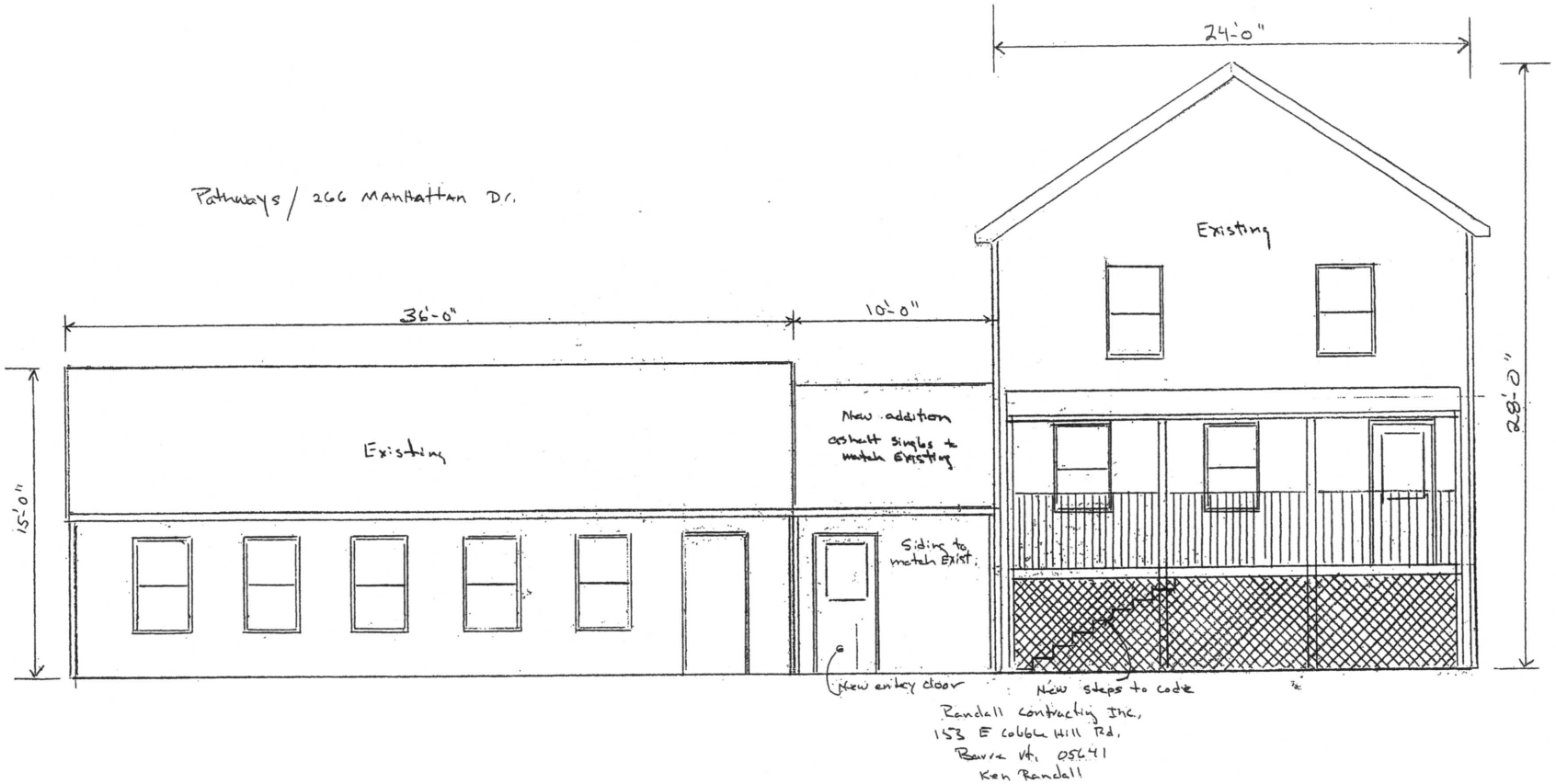
Pathways Vermont - Soteria
Existing Floorplan



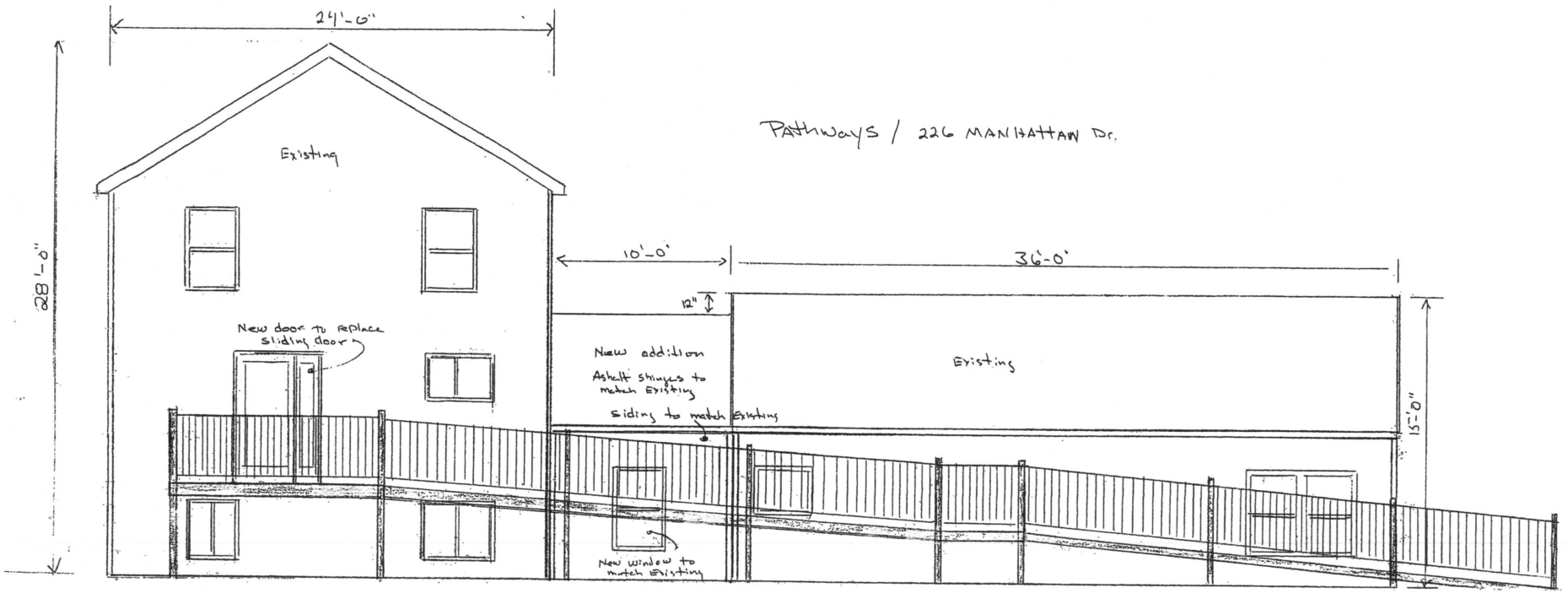
Soteria - Pathways Vermont
Proposed Floorplan



Pathways Vermont - Soteria
South Elevation



Pathways Vermont - Soteria
North Elevation



West Elevation

PATHWAYS / 226 MANHATTAN Dr.

Randall Contracting, Inc
153 E Cobble Hill Rd.
Barre Vt. 05641
Ken Randall

Administrative Offices
1233 Shelburne Road
Suite E6
South Burlington, VT 05403
(888) 492-8218

CON Application- Soteria Vermont

Explanation of schematic drawings

There are 5 drawings

1. Site Plan- shows a new fence, parking arrangement and connector addition. The ramp drawn is a contingency in case the Burlington building inspector determines it is required.
2. Existing Floor Plan- main floor level and lower floor level. The second floor (not shown) includes three bedrooms and a full bath. The half basement (not shown) includes a bedroom, staff room and full bath, as well as boiler.
3. Proposed Floor Plan- main floor. No changes to second floor and half basement (not shown). Renovations are entirely for purposes of ADA as well as fire and safety code compliance. These include reconfiguration of the lower floor level bathroom for a roll-in shower and five foot turning radius. The platform lift and its power/control tower is housed in the connector. The kitchen on the main floor level also needs to be made ADA compliant.
4. South Elevation- details the addition.
5. North Elevation- details the addition as well as the new deck door needed for ADA compliance. The ramp shown is a contingency and is not believed to be necessary.

There are no changes to East and West sides of the property.

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Form A- Verification Form

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re: Soteria Vermont CON Application) Docket No. GMCB-005-13con

Exhibit A - Form of Verification Under Oath when filing a Certificate of Need Application.

Hilary Melton, being duly sworn, states on oath as follows:

1. My name is Hilary Melton. I am Executive Director of Pathways Vermont. I have reviewed the Certificate of Need application for Soteria Vermont.

2. Based on my personal knowledge, after diligent inquiry, the information contained in the CON application for Soteria Vermont is true, accurate and complete, does not contain any untrue statement of material fact, and does not omit to state a material fact necessary to make the statement made therein not misleading, except as specifically noted herein.
3. My personal knowledge of the truth, accuracy and completeness of the information contained in the CON application for Soteria Vermont is based upon either my actual knowledge of the subject information or, where identified below, upon information reasonably believed by me to be reliable and provided to me by the individuals identified below who have certified that the information they have provided is true, accurate and complete, does not contain any untrue statement of material fact, and does not omit to state a material fact necessary to make the statement made therein not misleading.
4. I have evaluated, within the 12 months preceding the date of this affidavit, the policies and procedures by which information has been provided by the certifying individuals identified below, and I have determined that such policies and procedures are effective in ensuring that all information submitted or used by Pathways Vermont in connection with the Certificate of Need program is true, accurate, and complete. I have disclosed to the Pathways Vermont Board of Directors all significant deficiencies, of which I have personal knowledge after diligent inquiry, in such policies and procedures, and I have disclosed to the Pathways Vermont Board of Directors any misrepresentation of facts, whether or not material, that involves management or any other employee participating in providing information submitted or used by Pathways Vermont in connection with the Certificate of Need program.

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5. The following certifying individuals have provided information or documents to me in connection with the CON Application for Soteria Vermont, and each such individual has certified, based on his or her actual knowledge of the subject information or, where specifically identified in such certification, based on information reasonably believed by the certifying individual to be reliable, that the information or documents they have provided are true, accurate and complete, do not contain any untrue statement of a material fact, and do not omit to state a material fact necessary to make the statement made therein not misleading:

   (a) Amos Meacham, Program Director, Soteria Vermont, Pathways Vermont, part of the team who developed the CON application, contact with Green Mountain Care Board and Vermont Department of Mental Health, contact with architect, contractor, financial consultant, energy efficiency consultant and technical advisor. Information provided on project background and structure, renovation analysis, consistency with DMH planning objectives, project budgets and cost analyses. Performed site plan drawing.

   (b) Laura-Nicole Sisson, Special Project Coordinator, Pathways Vermont, part of the team who developed the CON application. Information provided on project background and description, data and research, Evidenced Based Practices, community services, Pathways Vermont and project as needed service.

   (c) Hilary Melton, Executive Director, Pathways Vermont, management of the team who developed the CON application. Information provided on Pathways Vermont and project background.

   (d) Mandy McDermott, Business Manager, Pathways Vermont, provided information for the financial tables.

   (e) Janet Sisson, financial consultant, provided technical assistance in compiling the financial tables.

   (f) Bob Duncan, architect, Duncan Wisniewski Architecture, provided code analysis necessary to proper design of renovation work.

   (g) Ken Randall, contractor, Randall Construction, provided construction specifications, schematic drawings and construction estimates.

   (h) John Lincoln, Energy Services Engineer, Burlington Electric Department, provided consultation on energy efficiency for the facility.

   (i) Judy Rosenstreich, Senior Policy Advisor, Vermont Department of Mental Health, provided consultation and review of the CON application process.

6. In the event that the information contained in the CON Application for Soteria Vermont become untrue, inaccurate or incomplete in any material respect, I acknowledge my obligation to notify the Green Mountain Care Board, and to supplement the CON

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Application for Soteria Vermont, as soon as I know, or reasonably should know, that the information or document has become untrue, inaccurate or incomplete in any material respect.

Hilary Melton, Executive Director of Pathways Vermont

On October 22, 2014, Hilary Melton appeared before me and swore to the truth, accuracy and completeness of the foregoing.

Devan Forbes, Notary Public

My commission expires 02/10/2015

State of Vermont
Department of Mental Health
Redstone Office Building
26 Terrace Street
Montpelier VT 05609-1101
http://mentalhealth.vermont.gov/

Agency of Human Services

[phone] 802-828-3824
[fax] 802-828-3823
[tty] 800-253-0191

October 11, 2013

Green Mountain Care Board
89 Main Street
Montpelier VT 05620

To Whom It May Concern:

I am writing to express support from the Vermont Department of Mental Health for the Pathways Vermont CON application. This application is for the development of a 5-bed residential program in Burlington based on the Soteria Model.

This program is being funding by the Department of Mental Health and is designed to meet the requirement of Act 79 of 2012 to:

> "...Contract for a voluntary five-bed residence for individuals seeking to avoid or reduce reliance on medication or having an initial episode of psychosis. The residence shall be peer supported and noncoercive, and treatment shall be focused on a nontraditional, interpersonal, and psychosocial approach, with minimal use of psychotropic medications to facilitate recovery in individuals seeking an alternative to traditional hospitalization."

Pathways to Housing was chosen to develop this program through a state bidding process, and we are working closely with this organization to ensure that the program fully meets the expectations and needs of Vermont.

We look forward to this program coming on line. Please let us know if we can be of further assistance.

Sincerely,

Paul Dupre
Commissioner
Department of Mental Health

C: Amos Meacham, Pathways Vermont

VERMONT

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CON Application-Soteria Vermont

Calculation of application fee

Project Costs (from Table 1): $230,318
Multiplied by: _____.125%

Application Fee: $287.90