

SB 90 Application for Seismic Safety Extension

Office of
Statewide Health Planning and Development **osbpd**



Facilities Development Division
The Building Department for California's Hospitals





Agenda

- Administrative Requirements
- Determining Eligibility for an Extension
 - Seismic Risk
 - Community Access to Essential Hospital Services
 - Financial Hardship
- Tips on Preparing the Submittal
- Maintaining SB 90 Extensions
- Comparison of Extensions
- Questions & Answers

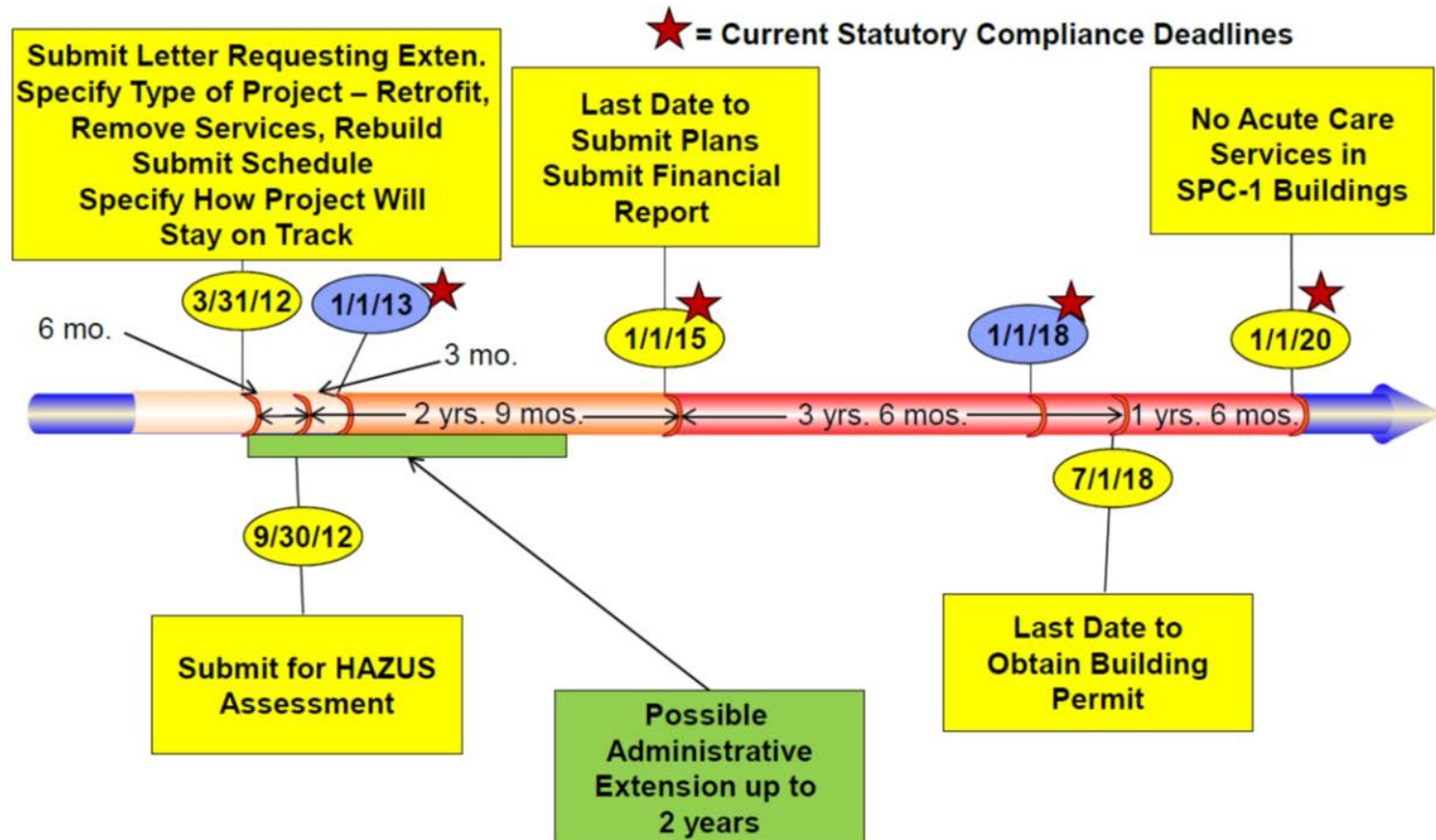


SB 90 Overview

- SB 90 authorizes OSHPD to:
 - Grant hospitals an extension of up to seven years beyond the 2013 deadline to retrofit, replace, or remove acute-care services from SPC-1 hospital buildings
- The length of the extension is determined by OSHPD
 - Not to exceed the time necessary to reasonably complete the construction project
- Does not change the 2030 deadline



SB 90 Time Line/Milestones





Statutory Deadlines for SB 90

- Application by September 30, 2012
- HAZUS Assessment deemed ready for review no later than September 30, 2012
- Construction Documents deemed ready for review no later than January 1, 2015
- Obtain a Building Permit no later than July 1, 2018



Technical Basis for an Extension

- SB 90 requires OSHPD to consider three factors in determination of eligibility for an extension and the length of the extension
 - Structural integrity, based on the HAZUS score of the SPC-1 building
 - Community Access to Essential Hospital Services
 - Financial Hardship



APPLYING FOR A SB90 SEISMIC EXTENSION



Applying for a SB 90 Seismic Extension

- Eligibility for an extension
- Required Information
 - Application and Letter of Intent
 - Facility Information and need for an extension
 - Schedule
 - Documentation for community access to essential hospital services and financial hardship



Eligibility

- SB 90 Seismic Extensions are granted on a single building basis
 - Must be SPC-1
 - Must have received an extension to the January 1, 2008, deadline for both the structural and nonstructural requirements
- If a facility has multiple SPC-1 buildings applying for an extension, they must apply separately, but coordination of the different applications will be checked



Application Process

- Each application submittal must contain the following items:
 1. An application for extension (form)
 2. A letter of intent
 3. A facility site plan
 4. A chart or a bar graph schedule
 5. Information on the type of use/occupancy of the SPC-1 building
 6. A narrative describing how the hospital intends to meet the requested deadline and why an extension is necessary.
 7. Documentation demonstrating community access to essential hospital services and/or financial hardship (optional)



Application for Extension

- Standard application form for seismic extension
 - Application for Extension / Delay in Compliance
OSH-FD-384
- One SPC-1 building per application



Fees

- An nonrefundable application fee of \$250 is required for each application
- The applicant is billed for actual cost of engineering and architectural review and verification of the extension documents
- Costs paid for these services are nonrefundable



Letter of Intent

- The letter of intent must state the intentions of the hospital for the SPC-1 building
 - Rebuild services in a new building
 - Replace services in a complying building
 - Retrofit the building to SPC-2 or SPC-5
 - VSI utilizing HAZUS, or traditional retrofit
 - Remove all general acute care beds and services from the building (reduction in services)



Letter of Intent

- There must be some construction activity planned for or associated with the SPC-1 building (Main Building Project)
- Must have a direct correlation between the Main Building Project and the Related Project
 - site preparation projects, demolition projects, and projects to move existing services or prepare spaces to accommodate or facilitate the Main Building Project

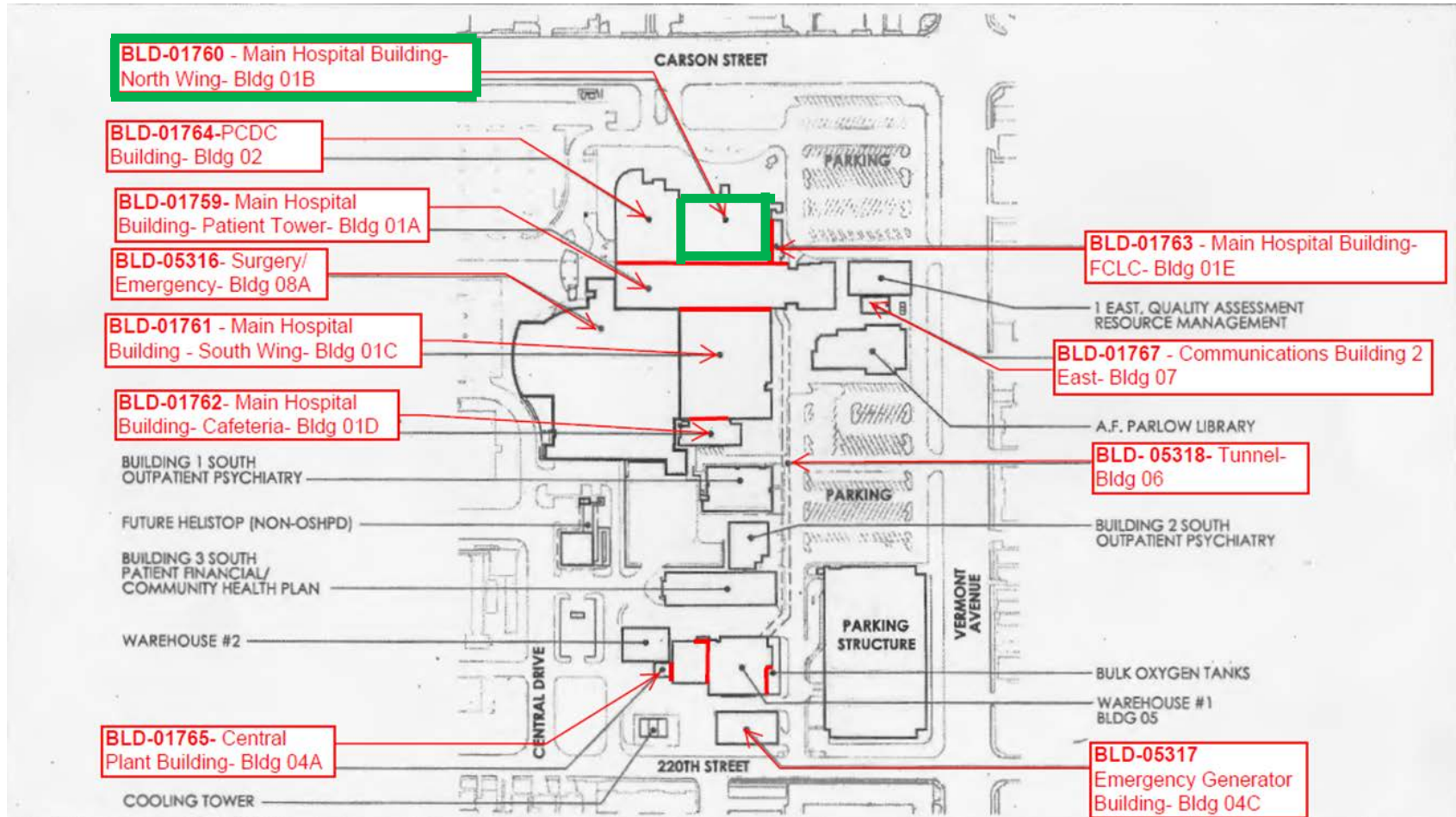


Facility Site Plan

- The facility site plan must identify the SPC-1 hospital building for which the extension is being requested
 - Building name
 - OSHPD assigned building number
- The site plan must include the entire facility, so that campus-wide issues such as exiting can be assessed



Facility Site Plan





Schedule

- The schedule is the focus of the application
 - Establishes the viability and necessity of the extension
- Chart or a bar graph format
- The schedule must show that:
 - Interim milestones will be met
 - Construction will be complete by the end of the extension



Schedule

- The schedule must also:
 - Describe the amount of time necessary to complete the design, review, and construction in order to achieve the targeted building resolution stipulated in the letter of intent
 - Indicate all major milestones required for the implementation of the construction plan (statutory deadlines and project milestones)



Schedule

- If the work consists of a Main Building Project and Related Projects, the hospital must provide:
 - Milestone and construction timeline events for the Main Building and Related Projects
 - Description of the required scope of Related Projects and their influence on the critical path milestones for the Main Building Project



Statutory Requirement - SB 90 Extensions

- To evaluate public safety and determine whether to grant an extension of the deadline, OSHPD must consider:
 - The structural integrity of the hospital's SPC-1 buildings based on its Hazards US scores (Risk-Based Extension)
 - Community access to essential hospital services, if applicable, and
 - The hospital owner's financial capacity to meet the deadline, if applicable



Maximum Permitted Extension

- The maximum permitted extension for a hospital building is the greater extension time allowed based on consideration of:
 - Structural integrity of the building
 - Access to essential hospital services
 - Financial Hardship
- The approved extension will not exceed 7 years or the time reasonably required to complete the construction, whichever is less.



Technical Basis for a Seismic Deadline Extension

STRUCTURAL INTEGRITY



Structural Integrity

- SB 90 requires that the structural integrity component of the extension request be based on a Collapse Probability Assessment (HAZUS score) of the SPC-1 building
- The Structural Integrity extension considers HAZUS score plus occupancy to determine risk



HAZUS Deadline

- No later than September 30, 2012, the Hospital Owner must submit an application and required documents ready for review seeking collapse probability assessment for its SPC-1 building



Ready for Review – HAZUS (1)

- A “ready for review” Collapse Probability Assessment includes all of the following:
 - A complete seismic evaluation of the building, that includes the following elements:
 - A description of the building, including photographs of the building, and sketches of the lateral force resisting system;
 - The "General Sets of Evaluation Statements" from Chapter 6, Appendix; 3, California Administrative Code



Ready for Review – HAZUS (2)

- A “ready for review” Collapse Probability Assessment includes all of the following:
 - A complete seismic evaluation of the building, that includes the following elements:
 - A synopsis of the investigation and supporting calculations that were made.
 - A list of the deficiencies requiring remediation to change statement responses from false to true.
 - The SPC for the building, with comments on the relative importance of the deficiencies.



Ready for Review – HAZUS (3)

- A “ready for review” Collapse Probability Assessment includes all of the following:
 - A supplemental evaluation report prepared by a California registered structural engineer that identifies the existence or absence of the building structural Lateral Force Resisting System (LFRS) properties and Significant Structural Deficiencies



Ready for Review – HAZUS (4)

- A “ready for review” Collapse Probability Assessment includes all of the following:
 - The supplemental evaluation report shall include:
 - Existing construction drawings or reconstructed as-built drawings relating to the existence or absence of the Significant Structural Deficiencies
 - Calculations, where required, for review and acceptance by the Office, unless they are included in the complete structural evaluation
 - Building height and number of stories above and below the seismic base



Ready for Review – HAZUS (5)

- A “ready for review” Collapse Probability Assessment includes all of the following:
 - For SPC-1 buildings where the potential for surface fault rupture and surface displacement at the building site is present, a supplemental geologic hazards report prepared by a California registered engineering geologist/seismologist



Ready for Review – HAZUS (6)

- The Collapse Probability Assessment should include computer models and/or calculations if used in the evaluation or the Supplemental evaluation report
 - Multi-story structures
 - Elimination of significant structural irregularities through analysis



Exposure Factor

- The Exposure Factor is based on the presence of Basic and Supplemental Services
 - Defined in Part 2, Title 24, Section 1224.3
- Where a building contains more than one Basic and/or Supplementary Service space, the largest value of E shall apply.



Exposure Factor

- $E = 0.5$ where the building houses only storage spaces, central sterile supply spaces, and/or utility plant spaces.
- $E = 0.7$ where the building houses only clinical laboratory, pharmaceutical, dietetic, and/or support services spaces, or nonpatient care building which is contiguous to and provides egress or structural support to an acute care hospital building(s).
- $E = 1.0$ where the building houses any other Basic and/or Supplementary Service spaces.



Maximum Risk-Based Extension

- The Maximum Risk-Based Extension is determined by the seismic risk coefficient, $P = E \times \text{HAZUS score}$:
 - Where $P \leq 3.0\%$, the Risk-Based Extension for the building shall not exceed 7 years
 - Where $P > 3.0\%$ but $P \leq 5.0\%$, the Risk-Based Extension for the building shall not exceed 5 years
 - Where $P > 5.0\%$, the Risk-Based Extension for the building shall not exceed 2 years.



Buildings on Active Faults

- Regardless of the seismic coefficient, P , the Risk-Based Extension for any building straddling an Active Fault shall not exceed 2 years



Technical Basis for a Seismic Deadline Extension

COMMUNITY ACCESS TO ESSENTIAL HOSPITAL SERVICES



Community Access

- The potential effect of closure of the hospital building on community access to essential hospital services may be considered, if desired by the Hospital Owner
 - Required for an SB 90 Extension only when it forms the basis for the extension request
- A building at a hospital defined as a Critical Community Provider is eligible for a Maximum Permitted Extension of up to 7 years.



Demonstrating Community Access

- If the hospital wishes to be eligible for Critical Community Provider status, they must provide a narrative description and supporting documentation demonstrating community access to essential hospital services



Community Access Data

- The data utilized to determine community access to essential hospital services shall be based on the hospital's most current fiscal reporting information filed with the Office or on the hospital's fiscal reporting information filed with the Office for any of the most current three years



Critical Community Provider

- To be designated a Critical Community Provider, the Hospital must meet at least one of five criteria:
 - State or Federal Certification
 - Uninsured/Underinsured Populations
 - Specialized Medical Care
 - Critical Healthcare Provider for the Community
 - Tertiary or Specialty Hospital



State or Federal Certification

- Certified as a Sole Community Hospital, Critical Access Hospital, or Rural Referral Center by the Department of Health and Human Service Centers for Medicare & Medicaid Services at the time of application for an extension, or
- Designated as a Disproportionate Share Hospital.
 - Meets the eligibility requirements of the Welfare and Institutions Code, Section 14105.98 for at least two years during the five most current years prior to application for an extension



Uninsured/Underinsured Populations

- The hospital meets or exceeds all of the following minimum thresholds:
 - 10% Medicaid Discharges
 - 10% Medicaid Emergency Department visits
 - 10% Uninsured Emergency Department visits
 - Inpatient Occupancy rate of the hospital general acute licensed beds greater than 50%



Specialized Medical Care

- The hospital is a critical service provider of any of the following specialized medical care within its service area
 - Trauma Center as defined by CCR – Title 22, Division 9, Section 100248
 - Children’s Hospital as defined by the Welfare and Institutions Code, Section 10727
 - Burn Unit as defined by CCR – Title 22, Division 5, Section 70421
 - Emergency department provides 10% or more of the total Emergency Treatment Stations
 - A hospital in which its service area has an average number of patient beds/1000 population below 1.5



Critical Healthcare Provider for the Community

- The hospital provides more than 20 % of the licensed acute care beds in the hospitals service area



Tertiary or Specialty Hospital

- A tertiary or specialty hospital dedicated to specific sub-specialty care with volumes in excess of 50% of total annual discharges within the county in which the hospital is located
- Specific sub-specialty care examples:
 - Transplants
 - Orthopedics
 - Cancer Center



Hospital Service Area

- “Hospital Service Area” is defined as the total geographic area comprised by the sum of all patient origin regions that significantly contribute to the inpatient population of the subject hospital
- Two conditions must be satisfied when determining the Hospital service Area (must satisfy both)



Hospital Service Area

- Both conditions listed must be satisfied:
 - The number of regions considered shall include all the regions with a relative hospital ratio of inpatient discharges per region greater than 5% of the total hospital inpatient discharges.
 - The number of regions considered shall include all the regions with a hospital ratio of inpatient discharges per region that cumulatively account for at least 70% of the total hospital patient discharges.



Service Area Definitions

- “Relative hospital ratio of inpatient discharges per region”
 - The number of hospital patients discharged in a region by the subject hospital in relation to the total hospital patients discharged for the same region by all hospitals.
- “Hospital ratio of inpatient discharges per region”
 - The number of hospital patients discharged in a region by the subject hospital in relation to the total patients discharged by the subject hospital



Technical Basis for a Seismic Deadline Extension

FINANCIAL HARDSHIP



Financial Hardship

- The effects of financial hardship may be considered, if desired by the Hospital Owner
 - Required for an SB 90 Extension only when it forms the basis for the extension request
- Evaluation of financial hardship is determined on a hospital-by-hospital basis
- A building at a hospital that meets the financial hardship criteria is eligible for a Maximum Permitted Extension of up to seven years



Financial Data

- The data utilized to determine financial hardship shall be based on the hospital owner’s most current fiscal reporting information filed with the Office, or
- The hospital owner’s fiscal reporting information filed with the Office for any of the most current three years
- Exception
 - For Financial Performance, fiscal data is for the five years prior to application for an extension



Determination of Financial Hardship

- A hospital may be determined to have financial hardship if it meets at least one of the following:
 - Financial performance criteria
 - Bond rating criteria
 - For public hospitals, failure of a bond measure



Financial Performance Criteria

- The hospital meets all of the following thresholds:
 - Negative operating margin for the hospital for at least two years during the five years prior to application for an extension.
 - Days Cash-on-Hand less than 60.
 - Current Ratio less than 1.5



Bond Rating Criteria

- The hospital has a bond rating listed in the following table:

Credit Risk	Moody's	Standard and Poor's	Fitch Ratings
Medium	Baa	BBB	BBB
Lower Medium	Ba	BB	BB
Lower Grade	B	B	B
Poor Grade	Caa	CCC	CCC
Speculative	Ca	CC	CC
No Payments / Bankruptcy	C	D	C
In Default	C	D	D



Public Hospitals

- For public hospitals, voters rejected the most recent bond issue specifically related to seismic compliance construction work at the facility



EXTENSION REVIEW AND APPROVAL



Intake Process

- Application package is triaged for completeness
 - An incomplete application package may not establish eligibility for the SB 90 Extension
- OSHPD triage form can be used as a guide when preparing your submittal



Triage Form - General

List of Enclosures

Enclosures

- | | | | |
|-------------------------------------|--|-------------------------------------|---|
| <input checked="" type="checkbox"/> | *Application | <input checked="" type="checkbox"/> | * Letter of Intent |
| <input checked="" type="checkbox"/> | *Site Plan w/ SPC 1 bldgs. | <input checked="" type="checkbox"/> | *Time Line / Chart / Bar Graph showing major milestones |
| <input checked="" type="checkbox"/> | *Narrative Description | <input checked="" type="checkbox"/> | *Supporting Documentation |
| <input type="checkbox"/> | Narrative Description – Financial Hardship | | |
| <input type="checkbox"/> | *List of services in SPC 1 buildings | | |
| <input type="checkbox"/> | Comments: | | |

Phase 1

Basis for Extension

*SB 90 Basis for Extension

- Structural Integrity
- Community Access
- Financial Hardship
- Unclear

Method of Compliance

*Method of Compliance

- | | | | |
|--------------------------|---------|-------------------------------------|--------------------------------|
| <input type="checkbox"/> | Rebuild | <input checked="" type="checkbox"/> | Retrofit |
| <input type="checkbox"/> | Replace | <input type="checkbox"/> | Remove all GAC beds & Services |

Length of Extension

- Length of extension requested in years/ completion date: 6.0



Triage Form - HAZUS

HAZUS Status

HAZUS Submittal Status

- Not yet submitted
- Included with SB 90 package
- Previously submitted (after 1/1/2012)
- Already in the system

2007 HAZUS status HAZUS Fail
2007 HAZUS score

2010 HAZUS status HAZUS Fail
2010 HAZUS score



Triage Form – Community Access

**DHHS
Centers**

**Insured
Underinsured**

**Critical
Service
Provider**

- Community Access
 - Section 8.5a) DHHS Centers for Medicare and Medicaid Services (number of copies)
 - 0 Sole Community Hospital
 - 0 Critical Access Hospital
 - 0 Rural Referral Center
 - 0 Other
 - Section 8.5b) uninsured / underinsured (number of copies) – meet or exceed all of these
 - 0 10% Medicaid Discharges
 - 0 10% Medicaid Emergency Department visits
 - 0 10% Uninsured Emergency Department visits
 - Inpatient Occupancy rate of the GAC beds > 50%
 - 0 Other
 - Section 8.5c) Critical service provided of any of the following
 - 0 Trauma Center
 - 0 Children’s Hospital
 - 0 Burn Unit
 - 0 Emergency Department provides 10% or more of total Emer. Treatment Stations
 - 0 Service area has average number of patient beds/ 1,000 below 1.5
 - 0 Other



Triage Form – Community Access

GAC Beds

- Section 8.5d) Hospital provides more the 20% of GAC beds in the service area
- 0 Calculation of GAC beds in service area
- 0 Other

Tertiary or Specialty

- Section 8.5e) Tertiary or specialty hospital w/ discharges in excess of 50% annually for county
- 0 Calculation of annual discharge volume in county for specialty
- 0 Other

Service Area

- Section 8.5f) Hospital Service area calculations (number of copies)
- 0 Calculation of relative hospital ratio per region $\geq 5\%$ of total discharges
- 0 Calculation of number of regions showing at least 70% of total discharges
- 0 Other



Triage Form – Financial Hardship

Financial Performance

Financial Hardship

- Financial Performance (number of copies)
 - 0 Negative operating margin figures for last 5 years
 - 0 Days Cash-on-Hand less than 60 documentation
 - 0 Current ratio less than 1.5
 - 0 Other

Bond Rating

- Bond Rating (number of copies)
 - 0 Bond Rating information by rater shown in Table 1.5.2.8.6
 - 0 Other

Bond Issue Defeat

- Bond Issue defeat for Public Hospitals (number of copies)
 - 0 Election results showing date of election
 - 0 Other



Triage Form – Service Summary

- | | | | |
|--------------------------|------------------------------|--------------------------|---------------------------------|
| <input type="checkbox"/> | Nursing | <input type="checkbox"/> | Dietetic |
| <input type="checkbox"/> | Intensive Care | <input type="checkbox"/> | Administration |
| <input type="checkbox"/> | Pediatric | <input type="checkbox"/> | Support Services |
| <input type="checkbox"/> | Psychiatric | <input type="checkbox"/> | Central Plant |
| <input type="checkbox"/> | Obstetrical Ante/Post Partum | <input type="checkbox"/> | Obstetrical Recovery |
| <input type="checkbox"/> | Intermediate Care | <input type="checkbox"/> | Newborn / Well Baby |
| <input type="checkbox"/> | Skilled Nursing | <input type="checkbox"/> | Emergency |
| <input type="checkbox"/> | Surgical | <input type="checkbox"/> | Nuclear Medicine |
| <input type="checkbox"/> | Anesthesia | <input type="checkbox"/> | Rehabilitation |
| <input type="checkbox"/> | Clinical Lab | <input type="checkbox"/> | Renal Dialysis |
| <input type="checkbox"/> | Radiology / Imaging | <input type="checkbox"/> | Outpatient Surgery |
| <input type="checkbox"/> | Pharmaceutical | <input type="checkbox"/> | Obstetrical Cesarean / Delivery |



Attributes of Complete Submittal

- Clear executive summary that establishes basis of compliance, for example “Retrofit SPC-1 Building”
- Executive summary includes:
 - Discussion of the need for the extension
 - Summary of schedule including phasing necessary to complete the project
 - For access to healthcare, provide a summary of how the facility compares with the required thresholds



Attributes of Complete Submittal

Hospital Service Area Definition

Patient Origin Zip Codes (Region)	State Region	Inpatient (IP) Discharges	All Region IP Discharges	Relative Hospital Ratio IP Discharges per Region >than 5%	Ratio > than 5%	Ratio of IP Discharges per Region	Hospital Ratio IP Discharges per Region Cumulatively at least 70%
94601	CA	922	4,723	20%	YES	7.05%	7.05%
94607	CA	837	2,551	33%	YES	6.40%	13.45%
94611	CA	749	2,736	27%	YES	5.73%	19.17%
94605	CA	686	4,572	15%	YES	5.24%	24.42%
94608	CA	676	2,856	24%	YES	5.17%	29.59%
94609	CA	661	2,016	33%	YES	5.05%	34.64%
94606	CA	633	3,088	20%	YES	4.84%	39.48%
94612	CA	623	1,634	38%	YES	4.76%	44.24%
94602	CA	573	2,513	23%	YES	4.38%	48.62%
94610	CA	512	2,117	24%	YES	3.91%	52.54%
94621	CA	497	3,645	14%	YES	3.80%	56.34%
94501	CA	483	5,364	9%	YES	3.69%	60.03%
94619	CA	406	2,122	19%	YES	3.10%	63.13%
94603	CA	397	3,825	10%	YES	3.04%	66.17%
94577	CA	224	4,175	5%	YES	1.71%	67.88%
94618	CA	189	1,117	17%	YES	1.44%	69.33%
94530	CA	136	1,984	7%	YES	1.04%	70.37%
94703	CA	126	1,524	8%	YES	0.96%	71.33%
94702	CA	124	1,480	8%	YES	0.95%	72.28%
94705	CA	106	966	11%	YES	0.81%	73.09%
94502	CA	81	835	10%	YES	0.62%	73.71%

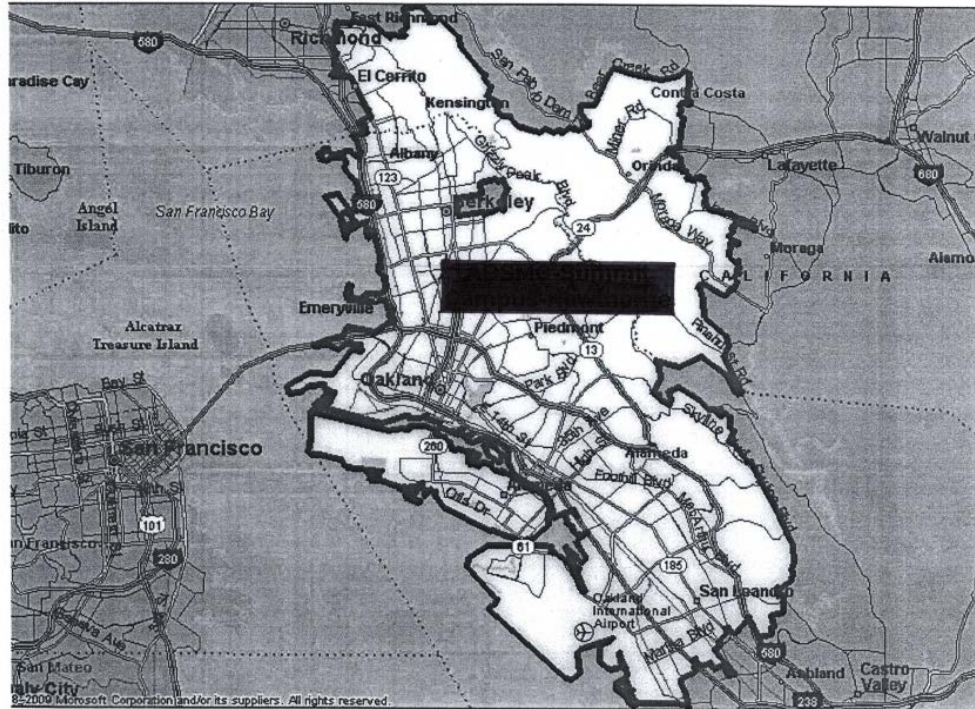
Source: 2010 OSHPD inpatient data. Includes only acute patients. Excludes non-CA zip codes

Documentation of Compliance



Attributes of Complete Submittal

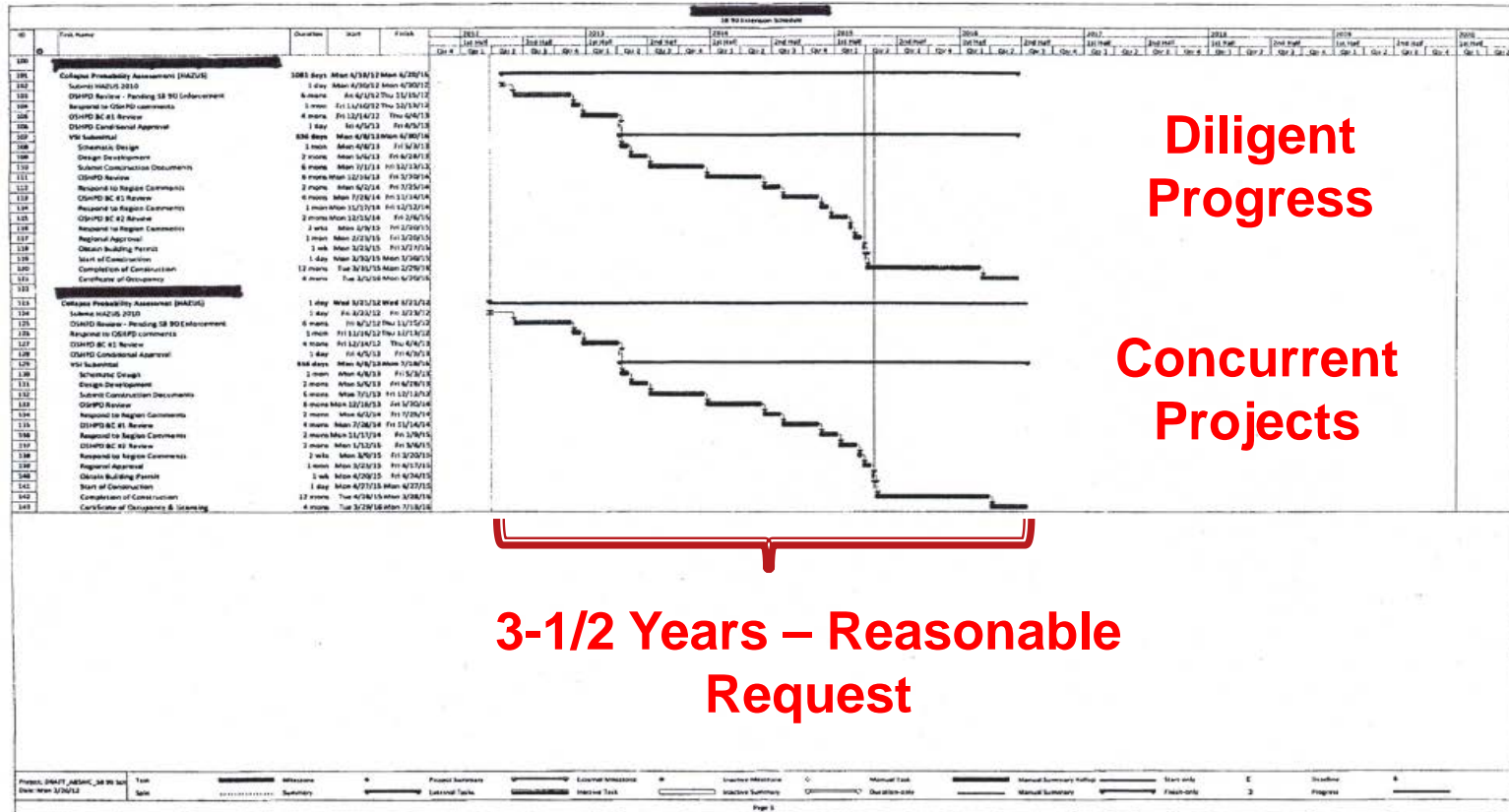
 Hospital Service Area



**Description of
Service Area**

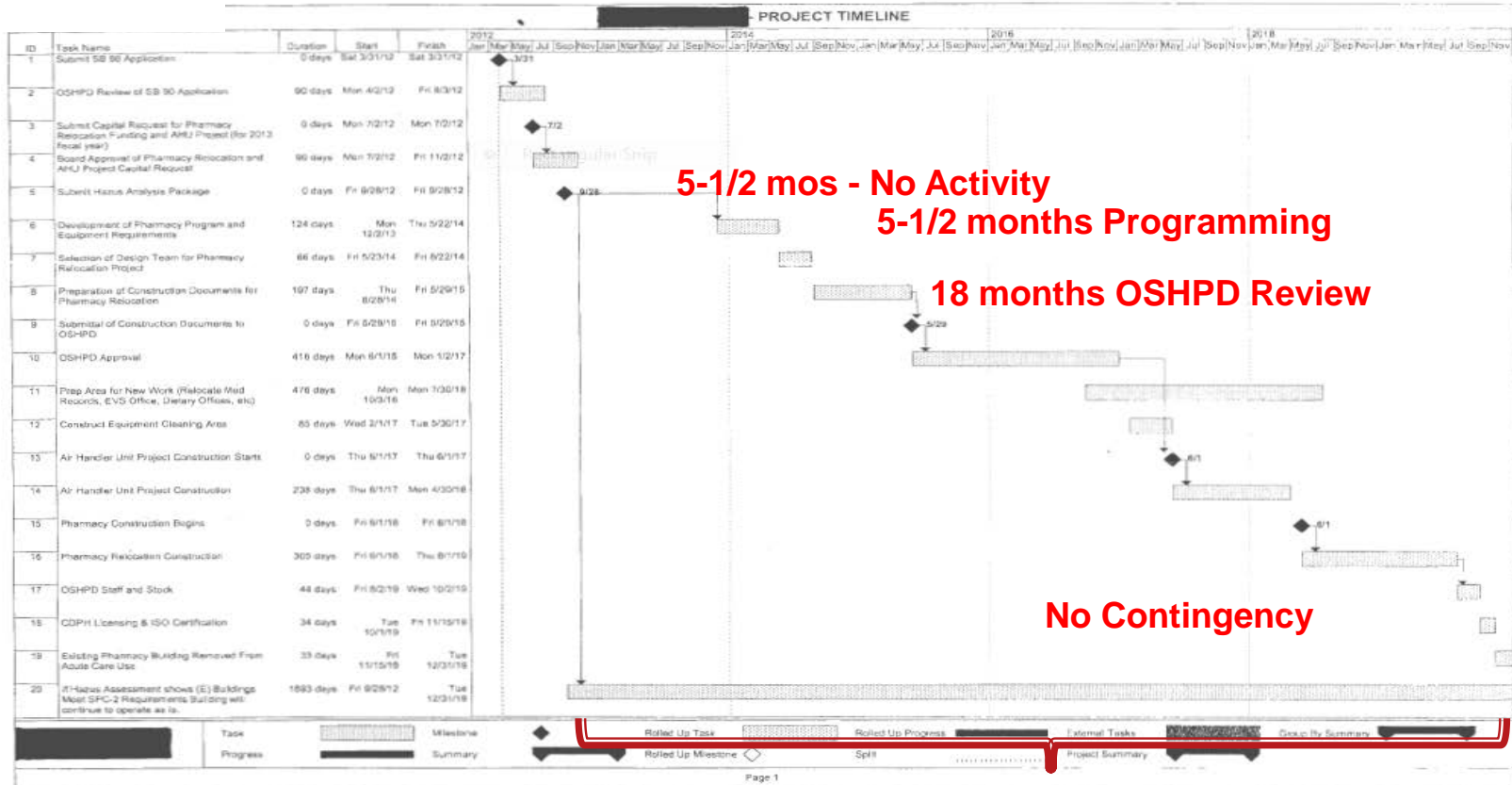


Example: Responsive Timeline





Problematic Timeline



Full Seven Years



Intake Process

- Once the application is deemed complete, OSHPD may grant an Administrative Extension to the January 1, 2013 deadline to allow for review of the application materials



Administrative Extension

- An Administrative Extension allows hospitals to remain in compliance with the seismic safety deadlines while their SB 90 Extension request is reviewed
- The length of the Administrative Extension will be determined by the Office on a case-by-case basis
- The Administrative Extension shall not exceed two years



Extension Review

- The application for extension is not acted upon until the Collapse Probability Assessment has been accepted and reviewed
- The application, narrative, schedule, and supporting documents (Critical Service Provider, Financial Hardship) may be reviewed prior to approval of the Collapse Probability Assessment, but the extension cannot be granted



Granting the Extension

- No decision on the extension can be made until the application is complete and the Collapse Probability Assessment has been completed
- OSHPD will notify the Hospital of the action on the extension request



MAINTAINING THE EXTENSION COMPLIANCE MILESTONES



Maintaining the SB 90 Extension

- In order to maintain the SB 90 Extension, the Hospital must adhere to the schedule approved with the SB 90 Extension application
- In addition, there are statutory deadlines that must be met for submittal of construction documents for review, obtaining a building permit, and completion of construction
 - Building specific schedules may require submittals earlier than the statutory date



Construction Document Submittal

- No later than January 1, 2015, the Hospital Owner must submit construction documents ready for review
 - The construction documents must consistent with the letter of intent and the schedule submitted in the application for extension
 - The construction documents shall be accompanied by a financial capacity report that demonstrates the hospital owner's financial ability to implement the construction plans submitted



Ready for Review

- The construction documents must be consistent with the letter of intent and the schedule submitted in the application for extension
- Projects for other work on the specific SPC-1 building or the hospital campus that are not consistent with the letter of intent and the schedule submitted in the application for extension may not be used for purposes of establishing compliance with the milestone.



Ready for Review

- Provided it is consistent with the letter intent and schedule, a “ready to review” project may include:
 - First final submittal of a new project
 - First final submittal of a major increment of an incremented project
 - A PPR submittal (prepared in accordance with the Phased Review White Paper)
 - “Make ready work”, provided the work is specific to the SPC-1 building or its replacement, or there is a direct correlation to the building for which the extension was requested



Financial Capacity Report

- The financial capacity report shall demonstrate the hospital owner's financial ability to implement the construction plans submitted pursuant to this subsection.
 - Report must indicate the source of funding for the project and evidence that the funding has been obtained or is obtainable in a timeframe that permits the work to proceed on schedule



Active Projects

- Any “active” project (a project where plans were accepted for OSHPD review prior to the submitted application for extension) may satisfy the milestone requirements, provided the project is identified in the application for extension
- Evidence of financial capacity to complete the “active” project by the compliance deadline must be submitted at the time of application for the extension



Building Permit

- No later than July 1, 2018, the Hospital Owner must receive a building permit
 - The building permit must be consistent with the letter of intent and the schedule submitted in the application for extension
 - Examples:
 - Building permit for project that achieves the targeted building resolution stipulated in the letter of intent
 - Building permit for a major increment of an incremental project that achieves the targeted building resolution stipulated in the letter of intent



Project Completion

- All construction must be completed by the date stipulated in the approved extension schedule
 - Certificate of occupancy (new building or space that was vacated and is now re-occupied)
 - Construction final (other cases)
- Need not have completed the Department of Public Health licensing process



Evidence of Compliance

- A hospital may demonstrate that it has complied with the requirements of their compliance schedule if they received confirmation of compliance from the Office by the end of their extension date



EXTENSION ADJUSTMENTS AND REVOCAATION



Extension Adjustments

- A hospital may request an extension adjustment necessary to complete the construction for the building
- In order for this request to be considered, the hospital owner shall notify the Office in writing as soon as practicable, but in no event later than six months after the hospital owner discovered the change of circumstances



Extension Adjustments

- The request shall include at a minimum all of the following:
 - The name and OSHPD assigned number for the hospital building requiring the extension adjustment.
 - The length/duration of the additional extension time adjustment
 - The total extension including the adjustment shall not exceed the amount of time reasonably required to complete construction or January 1, 2020, whichever is less



Extension Adjustments

- The request shall include at a minimum all of the following:
 - A narrative description and data supporting the discovered change of circumstances in completing the construction
 - An amended bar graph schedule



Extension Revocation/Termination

- An extension may be revoked or terminated based on the following:
 - The Office determines that any information submitted pursuant to the extension request was falsified; or
 - The hospital failed to meet a milestone set forth in the approved extension schedule; or
 - Where the work of construction is abandoned or suspended for a period of at least six months



Extension Revocation/Termination

- Abandoned Construction
 - The extension may be retained if the hospital demonstrates in a publicly available document that the abandonment or suspension was caused by factors beyond its control.



Dispute Resolution/Appeals Process

- Dispute resolutions and appeals are handled through the Hospital Building Safety Board (Article 5, Chapter 7, Part 1 of Title 24)



COMPARISON OF EXTENSIONS



SB 306 Extension - Milestones

- January 1, 2010 - Applications due
- January 1, 2013 – Construction documents deemed ready for review for each building
- January 1, 2015 - Hospital owner receives building permit for each building to be replaced pursuant to the master plan
- Maximum extension date, December 31, 2019



SB 306 Extension - Milestones

- Within 6 months of permit approval: For each SPC-1 Building
 - Project number or numbers for replacement of each building
 - Projected construction start and completion dates
 - The building or buildings to be removed from Acute Care
 - Estimated cost of construction and name of the contractor



SB 306 Extension - Milestones

- Every Six months thereafter
 - Reports to Office on status of the project, including any delays that could materially affect the estimated completion date
- A hospital failing to meet any of the deadlines shall be deemed in violation of the terms of their extension, and shall be subject to loss of licensure.



SB 1661 versus SB 499

QUALIFICATIONS	SB 1661	SB 499
Plans submitted deemed ready to review	By 1/01/09	By 7/01/10
Submitted for HAZUS 2007 reassessment and remained SPC-1		✓
MILESTONES		
Obtain Building Permit	By 1/01/11	By 1/01/12
Submit construction timeline	By 1/01/11	By 1/01/12
Make reasonable progress toward meeting timeline	✓	✓
Factor(s) beyond hospital control that derail timeline	✓	✓
Hospital building under construction at time of extension request	✓	✓
Remove acute care services from non-complying building(s) by extension deadline	✓	
Certificate of Occupancy issued by extension deadline		✓

Must be in construction for main building at time of application for extension.
 Last date for extension application filing, Dec. 31st 2012, but does not
 guarantee extension approval.

For additional information, please refer to PIN: 53 on OSHPD website at:
<http://oshpd.ca.gov/FDD/Regulations/PINS/53.pdf>



Summary

- SB 90 allows OSHPD to grant seismic compliance extensions of up to 7 years, based on seismic risk, community access to healthcare, and financial hardship
- The extension cannot exceed the time required to reasonably perform the work
- Applications cannot be reviewed until SB 90 becomes effective
 - Applications will be reviewed in the order received



Questions?