FARIBAULT STATE HOSPITAL

Charles V. Turnbull
Chief Executive Officer

FARIBAULT STATE HOSPITAL

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ATTACHMENTS:

INTRODUCTION

This report is a direct result of a planning effort initiated by the Department of Public Welfare at the request of the Governor of the State of Minnesota. Its purpose is to describe the "impact" if there were to be a closure of the Faribault State Hospital. The total "impact" cannot be fully forecast, but certain economic factors can be identified. Social and psychological effects on residents, staff, community and the political participants and processes can only be estimated. The best of forecasts are shaky. Only the data that time and post-mortem study provide after a facility is closed is somewhat reliable—but then it is always easy to look back over one's shoulder to see what should have been done.

## THE FARIBAULT STATE HOSPITAL HISTORY

Faribault State Hospital is a public residential facility serving the mentally retarded. Established in 1881 following a two-year experimental program under the administration of the Minnesota Deaf School, it served the entire state until the mid-1950's with a peak population of 3,355 in 1955. Presently, 55 percent of its 765 residents are from Hennepin County. Its current receiving district comprises 13 primary counties: Hennepin, Dakota, Rice, Goodhue, Dodge, Mower, Wabasha, Olmsted, Fillmore, Winona, Houston, Steele and Freeborn, but with individuals front 38 other counties still in residence. The Faribault State Hospital catchments area is depicted in Figure 1 (Attachment #1)

### FUNCTION

Serves as a regional resource center for the purpose of reducing the dependencies of mentally retarded individuals.

Provides care, treatment, and training in an effort to rehabilitate and return persons to as normal a life as possible.

Assists families to cope with the problems of mental retardation.

Fosters public understanding and involvement in the problems of mental retardation.

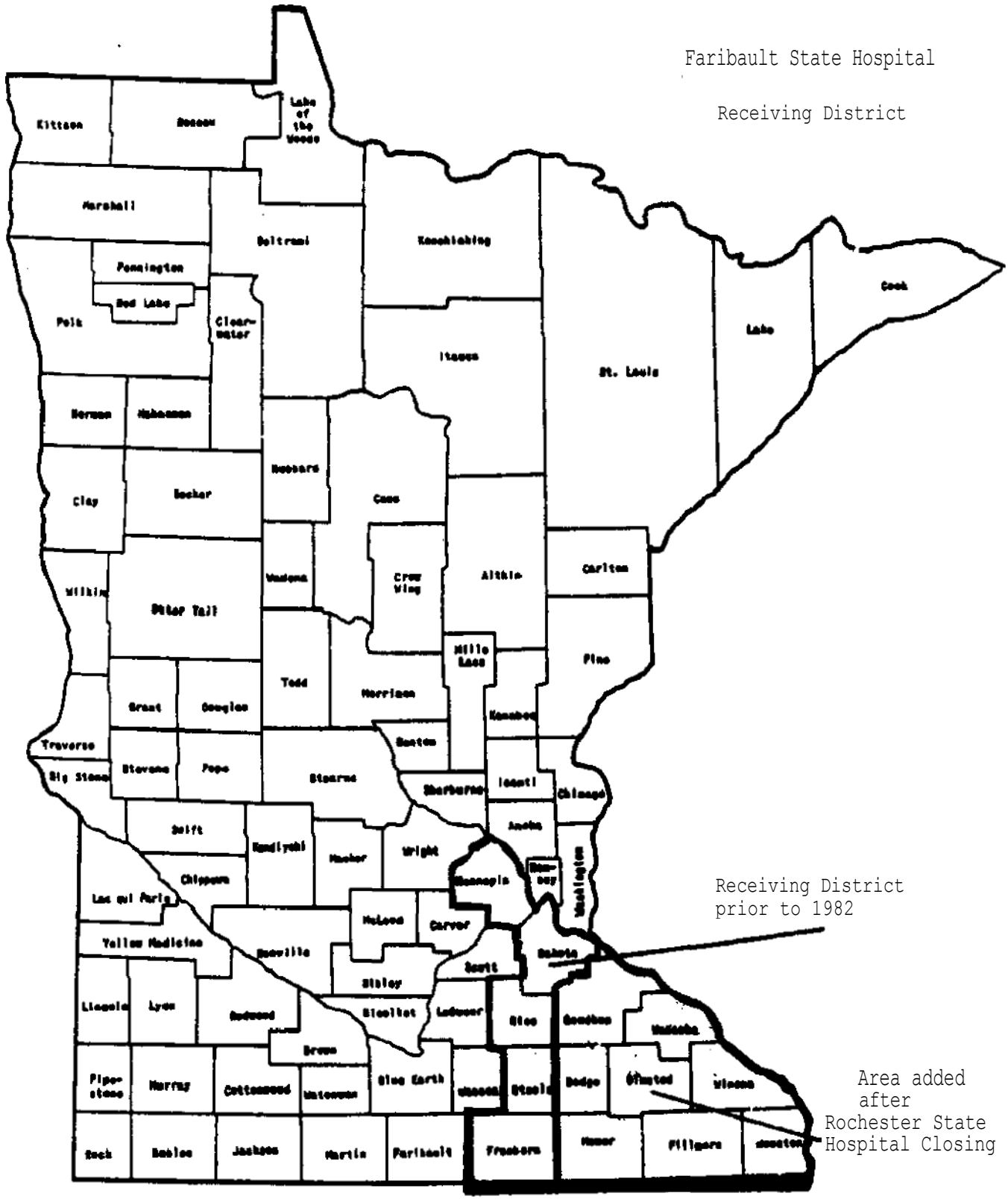
Promotes the development and appropriate use of a full range of community services for the mentally retarded.

Conducts and encourages research into the causes, prevention, and treatment of mental retardation.

## CATCHMENT AREA

The Faribault State Hospital, as noted above, serves as the primary State facility for eleven counties in what is know as Region 10. In addition, we provide this same service to Hennepin and Dakota Counties in Region 11. As such, we serve a combined population of (est.) 1,600,000 people in the State of Minnesota, or about 40 percent of the state's total population.

ATTACHMENT #1



## ROLE IN THE CONTINUUM OF CARE FOR THE MENTALLY RETARDED

Since the development of community programs for the mentally retarded (1960s), admission to Faribault State Hospital, as is the case for most state hospitals in Minnesota, is usually a "last resort" when persons have run out of other community options. Basically other providers can "selectively reject" or "demit" persons from their programs. State hospitals cannot. In fact it is this specific point that pushes state hospitals (as community-oriented facilities) to develop new and/or innovative programs—programs that work and become prototypes of others, i.e., continued role review and redirection. A second role is that of a "governor" and balance point for the total continuum. As such, the state is not without resources if one individual provider decides to go out of business or change their mode of operation. This role may become even more apparent and important as time goes on and finances dwindle. Most people see more stress on the system and an increasing demand for the use of state hospitals. The 600 empty beds in the state hospital system may be a blessing in disguise as this forecast materializes.

This "Impact" study has five major sections. They are the resident population served, Faribault State Hospital capacity, possible redistribution of the residents if the hospital were closed, the impact a closure would have on our residents and their families, the impact on staff, and the impact on the community.

### 1. RESIDENT POPULATION SERVED 8Y THE FARIBAULT STATE HOSPITAL

The Faribault State Hospital has *a* current population of 765 residents as of June 16, 1982. Over 90% of our residents are severely and profoundly retarded and require a facility that is licensed by the Department of Public Welfare as a Rule 34 facility and has a Class "B" Supervised Living Facility license through the Department of Health. Those residents who are mildly and moderately retarded have overlying psychiatric, emotional, and/or behavior problems. Basically the residents of the Faribault State Hospital all have the primary diagnosis of mental retardation, with secondary (and in many cases, tertiary) problems of physical handicaps, behavior problems or other limitations in communications or sight. The Faribault State Hospital has six basic units at this time. The units and the residents they serve are as follows;

Residential Program Services I:

- Physically Handicapped Residence Unit: This particular unit consists of three buildings—Willow, Birch, and Linden. Capacity 164. The residents in the Physically Handicapped Service are our younger physically handicapped residents. They are, in addition to being mentally retarded, those persons who have various physical defects and for the most part are a non-ambulatory population. Trainable mentally retarded services from the local public school, as well as our own Developmental Achievement Program Services, are provided these residents on a Monday through Friday, six-hour per day basis. In the residential areas the staff works on major self-help skills, e.g., toileting feeding, dressing, in addition to socialization skills.

Unit for Adolescent and Young Adults: Center Unit consists of two buildings—Maple and Pine. Capacity 100 residents. The residents who reside in the Adolescent Service Unit are adolescent and young adults who are ambulatory. In many cases they have special needs for self-help skills training in the areas of toileting, dressing, and feeding. In addition much program emphasis is on behavior problems and proper socialization skills development.

The adolescent and young adults in Center Unit range from severe and profoundly retarded to the mildly retarded; predominantly most residents are profoundly and severely retarded. Programming for this group of residents is provided by the local school district's TMR classes and the Structured Program Services of the Faribault State Hospital.

- Special Programs Unit: Special Programs Unit consists of two buildings—Cedar and Laurel. Current available space in Cedar and Laurel is for 86 residents. We call this the Special Programs Unit because for the most part we are working with persons who are mentally retarded and who have demonstrated behavior problems including such diagnosis as autism, acting out behavior problems, and other related emotional and behavior problems. Predominantly the residents in the unit are profoundly and severely retarded. However, more mildly and moderately retarded persons are found in this unit than the two previously described. Laurel building has been renovated in such a way that parts of it are vandal-proof, which aids us in programming these residents. Day programming for these residents is primarily TMR and Structured Program Services.

Residential Program Services II:

-Adult Services I: Adult Services I consists of three buildings with space for approximately 107 residents. The residents in Adult Services I are ambulatory retarded adults. Osage houses primarily profoundly and severely retarded residents, whereas Mohawk and West have more of the moderate and mildly retarded residents. The residents in these buildings do have, in addition to their retardation, a variety of behavior problems—some with psychiatric overlays. West has been renovated and was "vandal-proofed." When Mohawk is fully renovated it will be "vandal-proofed" also.

Day programming for the residents of these three buildings is all through our Developmental Achievement Programs except for a few persons from West and Mohawk who utilize some off-campus sheltered work opportunities.

-Adult Services II: This unit consists of Holly, Poppy and Spruce buildings and houses 142 residents. Adult Services II residents are people for the most part who are profoundly and severely retarded.

The residents in Holly building are severely and profoundly retarded persons—ones who have some behavior problem overlays in addition to their retardation. Self-help skills are a primary factor in this particular building. Residents in Poppy building, while in need of some self-help skills, primarily are programmed for alleviation of behavior problems. This particular building would include more of the moderate and mildly retarded persons. Spruce building is for our older residents. Most of them do have their self-help skills with some behavior problems that need to be worked on. Advanced age of the residents in this building is probably the biggest factor for remaining at the Faribault State Hospital.

The residents in Adult Services II have all of their programs in our Structured Program Service here at the Faribault State Hospital.

-Adult Services III: Three buildings---Elm, Hickory and Seneca—house 176 persons. All are adults. Those in Elm and Hickory are adults with some degree of physical problems. One household is for blind male residents that are basically ambulatory. Many of the other residents in Hickory and Elm have various degrees of physical problems including ambulation and physical defects that lend themselves to living in a one-story building with services aimed at the physically handicapped. Seneca building residents, on the other hand, are severely and profoundly retarded males who have some behavior problems that overlay their mental retardation.

The residents in these three buildings are programmed in our Structured Program Services.

Health Services Unit:

In addition to the Residential Program Services I and II units listed above, our Health Services Center houses a 35-bed Skilled Nursing Facility licensed as a Nursing Home by the Minnesota Department of Health, and a licensed Medical Hospital. The Skilled Nursing Facility serves those persons who, in addition to being severely and profoundly retarded, have severe physical defects and/or also exhibit behaviors and conditions that require nursing intervention procedures for sustaining life and/or health. The Medical Hospital serves all residents on an in-patient basis that may be referred from any of the above units and/or the Skilled Nursing Facility.

The above description of our units and the residents they serve should present a good picture of the types of facilities and programs that these residents require. For the most part community-developed group homes have not provided the services needed for this population because of the excessive behavior problems of our residents, the special medical/nursing intervention procedures our residents require, the lark of social graces that our residents display, and/or the complexity of their secondary and even tertiary problems. To serve the needs of this population is far more expensive than would be required by mentally handicapped citizens with fewer problems and greater capability for self-care and community participation.

II. FARIBAULT STATE HOSPITAL CAPACITY AND POSSIBLE DISTRIBUTION OF RESIDENTS IF CLOSED.

The capacity of the Faribault State Hospital is 810 residents. The hospital is licensed for 775 Supervised Living Facility - Class "B" (MR) beds, 35 Nursing Home beds, and 35 Medical Hospital beds. The Medical Hospital serves only Faribault State Hospital residents. The Hospital is also certified by the U.S. Department of Health and Human Services for 775 Intermediate Care Facility/Mentally Retarded beds, 35 Skilled Nursing Facility beds and 35 alternate infirmary beds.

Current population as of June 16, 1982, is 765, or an occupancy ratio of 94.4%.

The Faribault State Hospital admits all of Region 10, Dakota and Hennepin counties. The current population is from 51 counties. Our 13 catchments area counties are Hennepin, 425 residents; Dakota 42; Fillmore, 16; Freeborn, 11; Goodhue, 15; Houston, 6; Mower, 25; Olmsted, 30; Rice, 31; Steele, 7; Dodge, 8; Wabasha, 14; and Winona, 17. The total for these 13 counties is 647 residents. The other 38 counties account for 118 residents and they have 1 to 28 residents each. The counties and their totals are as follows:

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Aitkin | - 1 | Goodhue | - 15 | Nicollet | - 1 | Steele | - 7 |
| Anoka | - 1 | Hennepin | -425 | Nobles | - 2 | Wabasha | -14 |
| Blue Earth | -11 | Houston | - 6 | Olmsted | -30 | Wadena | - 1 |
| Brown | - 6 | Hubbard | - 1 | Otter Tall | - 1 | Waseca | - 6 |
| Carver | - 3 | Kandiyohi | - 1 | Pennington | - 1 | Washington | - 2 |
| Cass | - 1 | Koochiching | - 1 | Pine | - 1 | Watonwan | - 4 |
| Clearwater | - 1 | LeSueur | - 4 | Polk | - 1 | Wilkin | - 2 |
| Cottonwood | - 2 | Lyon | - 1 | Pope | - 1 | Winona | -17 |
| Dakota | - 2 | McLeod | - 4 | Ramsey | -28 | Yellow Medicine | - 1 |
| Dodge | - 8 | Martin | - 3 | Redwood | - 1 | | |
| Douglas | - 1 | Meeker | - 1 | Rice | -31 | TOTAL ---- | 765 |
| Faribault | - 7 | Mille Lacs | - 1 | St. Louis | - 4 | | |
| Fillmore | -16 | Morrison | - 3 | Scott | - 5 | | |
| Freeborn | -11 | Mower | - 25 | Sibley | - 2 | | |

Basically all residents would have to be placed in Southeastern or South Central Minnesota to be anywhere nears their own home and/or community.

If the Faribault State Hospital were closed there is a serious question as to whether all residents could be placed. In comparing population figures with known facts provided by the Mental Retardation Division of the Department of Public Welfare, the following tables and comments are in order:

Table I: Rule 34 - Licensed Bed Capacities and Estimated Vacancies in Southern Minnesota.

| County or Group of Counties | Licensed Rule 34 Bed Capacities | Vacancies (Est. based on State Average of 2% - 4% vacancies) |
|---|---|---|
| Hennepin County | 963 | 19 - 39 |
| Dakota County | 207 | 4 - 8 |
| Region 10 Total | 546 | 11 - 22 |
| Total FSH Catchments Area | 1,716 | 34 - 69 |
| Additional Possibilities: | | |
| Region 6 | 293 | 6 - 12 |
| Region 8 | 314 | 6-12 |
| Region 9 | 196 | 4 - 8 |
| Total Add. Possibilities | 79316 - 32 | |
| Total Possibilities in Southern Minnesota ---------- | | 50 - 101 |

Table II: State HospitalBed Vacancies, May 1982.

| MR Beds | Licensed Capacity | Vacancies |
|---|---|---|
| Brainerd | 448 | 86 |
| Cambridge | 550 | 37 |
| Fergus Falls | 316 | 51 |
| Moose Lake | 143 | 20 |
| St. Peter | 177 | (+6) |
| Willmar | 177 | 14 |
| Total MR Beds Available | 1,801 | 214 |
| MI/CD Beds | | |
| Anoka | 347 | 50 |
| Brainerd | 135 | 3 |
| Fergus Falls | 410 | 120 |
| Moose Lake | 562 | 194 |
| St. Peter | 261 | 35 |
| Willmar | 451 | 38 |
| Total MI/CD (other) | 2,166 | 440 |

Based on May, 1982 figures, 214 MR beds are available and 440 MI/CD beds, or 654 totals.

Total possible number of beds available based on Tables *I* and 11 are:

| | |
|---|---|
| Private/nonprofit FSH catchments area | — 34 - 69 |
| Private/nonprofit Regions 6, 8, 9 | — 50 - 101 |
| State Hospital MR units | — 214 |
| State Hospital Other (MI/CD) not properly licensed | — 440 |
| Total of All | — 739 - 824 |

The population of the Faribault State Hospital as of June 16, 1982, is 765. Theoretically, if every bed possibly available in the State of Minnesota were used, Faribault State Hospital residents could be accommodated elsewhere. If only MR beds are used we could only place 264 to 314 residents, leaving a balance of 501 to 450 that would not be place-able.

If all community Group Homes and State Hospital MR beds were utilized we would only be a little better off, based on Table III.

Table III: Total Licensed MR Beds and Possible Vacancies.

| Bed Location | Licensed Capacity | Vacancies |
|---|---|---|
| State Hospitals (other than FSH) | 1,801 | 214 |
| All Licensed Rule 34 Homes in State of Minnesota: | | |
| Level A | 3,727 | 75 - 149 |
| Level B | 1,066 | 21 - 42 |
| Totals | 6,594 | 309 - 405 |

The 309 - 405 possible beds still means 456 to 360 residents would not have a facility available for them. One additional problem is licensed space—over 90% of the FSH residents require a "Level B" licensed facility because of their handicapping conditions. Based on that, 75 to 149 of the estimated vacancies statewide may not be appropriate. This even compounds the placement problem for FSH residents.

The above only tackles the problem of where the residents night possibly live. Coupled with it is the problem of Day Programming. If, by chance, the communities' smaller facilities could house 309 to 405 FSH residents statewide, the question remains whether day programs are available. The answer in this period of "retrenchment" is 'no.' Day program space, or lack of it, is already a major stumbling block to placements. If residents from FSH are transferred to other state hospitals, serious staffing and space questions will need to be raised and answered prior to such a move.

## III. IMPACT OF A CLOSURE OF A STATE HOSPITAL OH RESIDENTS AND FAMILIES.

If the Faribault State Hospital were to be closed, the residents and their families have to be considered, too. How they are considered is heavily dependent on what is seen as the role or function of a facility and the principles a society professes and is willing to implement in the treatment, education and/or care of the people being served.

The Faribault State Hospital sees as its major function the provision of services aimed at identifying the dependencies of the people it serves and then providing services aimed at reducing those dependencies. This function is laced with a philosophy of providing service as close to one's home and in as normal an environment as possible.

A. The effect on the resident (client) if the FSH were to be closed;

Reduce their family involvement because of increased distance from home.

• Reduce the county's follow-up work and/or attendance at the resident's staff planning conference—again because of lengthened distance and added coats.

• Will force the mass movement of persons in all disability groups to accommodate each and every FSH resident—results in many inappropriate placements.

• Disruption of the resident's dependency reduction program, coupled with added case conference costs at their new facility.

• Loss of stability and friends in their personal life—a factor they have little or no control over.

B. The effect on the resident's family;

• Added miles to travel to visit their relative—usually results in destroying the ties and relationships.

• Added coats to visit as well as attend case planning conferences.

• Added animosity toward public officials, the political process, and the service system in general.

The 'impact' on residents and families are very personal as well as financial in nature. For the family, expanded travel costs in time and dollars do not off-set the tax dollars saved.

IV. IMPACT OF A CLOSURE OF THE FARIBAULT STATE HOSPITAL ON ITS 1,040 F.T.E.S (1,102 EMPLOYEES)

The impact on staff has A two-sided effect—the financial and the psychosocial aspects. We can only objectively address the financial one.

| | |
|---|---|
| FSH job loss (1,040 full-time equivalents | = 1,102 people |
| School District 656 TMR projects (52.5 FTEs) | = 53 people |
| Total family dependence (both husband and wife work at FSH)* | = 62 couples |
| Age barrier problem, i.e., employees over 50 years of age | = 280 people |
| Special problem group(s) | =13 service workers |
| Foster Grandparents | = 55 people |
| Direct personnel costs** | |
| -Unemployment compensation | = $3,066,336 to $4,975.360 |
| -Extended unemployment compensation | = 776,584 to 1,243,850 |
| -6-month extended insurance | = 652,374 to 652,374 |
| -Severance payoff | = 521,487 to 827,757 |
| -Annual leave payoff | = 580,296 to 921,105 |

-Relocation expenses 100Z
of staff - $5,510,000 75%
of staff - 4,125,000 50%
of staff - 2,750,000 25Z
of staff - 1,375,000
Estimate for FSH: 50% - 2,750.000 2,750,000

Total potential based on 1982 salaries, etc. - $8,347,007 §11,370,446

*Does not include families in which the one person working is the sole wage earner for the family unit. **See Attachment #2 for estimate rationale and/or breakdown.

The above estimate for the Faribault State Hospital is not the highest of all possible figures. It could go to $14 to $15 million--plus any special severances added in by the legislature if such an action were taken.

Again, the above only puts the process into financial terms as it applies to *a* closure. The human side is important too. This can probably be learned and exposed better through information gained from Rochester State Hospital, Hastings State Hospital and Owatonna State School closings. It is just starting to be looked at.

V. IMPACT OH THE COMMUNITY(IES).

A. Financial impact on the City of Faribault and Rice County (some spin-off on Steele, Goodhue, Waseca, LeSueur, Dakota and Hennepin Counties)

1. Direct financial impact on the City of Faribault/Rice County, based on 95% (est.) of staff living in the City of Faribault/Rice County (estimates and data as extrapolated from information supplied by the Minnesota Department of Planning. March, 1982, figures for employment and 1980 figures for income).

. The Faribault State Hospital provides 5.0% of the employment in Rice County (1,102 employees x 95% divided by 20,942 employed in March, 1982).

. March, 1982 percent of unemployment in Rice County = 8.9%.

. Projected rate of unemployment in Rice County if the FSH were closed (2,037 unemployed + 95% of FSB employees divided by 22,979) = 11.37%.

. The Faribault State Hospital is the largest employer in Rice County.

. The average Rice County gross income for 1980 was $11,123 (as per tax returns). The average F.T.E. salary excluding fringe benefits for 1980/81 at the FSH was $14,526.00 of $3,400.00 per person more than the county average. (The projected one for 1982/83 is $18.225.) This means that the Faribault State Hospital has a 24Z greater effect on this community's average Income than its 5.0% of total employees.

. In the City of Faribault the Faribault State Hospital provides approximately 12% of all employment. When compared to the 5.0% it provides in the county, it is fair to say that the city of Faribault's businesses would be hit hardest if this employment base were lost.

Fifty-five Foster Grandparents would lose their positions, too. These people are on marginal incomes and would add to our welfare roles.

Loss of 52.5 F.T.E.s from School District 656 TMR program.

2. Indirect financial costs to the City of Faribault/Rice County community (based on U.S. Chamber of Commerce statistics).

. Loss of 988 (95% of 1,040 F.T.E.s) full-time equivalents in Faribault/Rice County would mean a spin-off loss of 165 other F.T.E. jobs in our county (based on a ration of every six new jobs added to a community creates one new position in the community, e.g., service people, store clerks).

Loss of 52.5 School District F.T.E.s would mean an added nine lost jobs in the City of Faribault/Rice County.

In a rural (agricultural/Industrial park) community such as Faribault/Rice County, these would be the projected "other" side effects based on a loss of 988 Faribault State Hospital full-time equivalents:

-A population decline of up to 3,468.
-A school population reduction up to 780.
-A reduction of $18,006,205 in personal income (95% of projected payroll. Does not include fringes). -A $7,649,096 or more reduction in bank deposits. -$8.8 to $10 million less in retail sales. -Nine or ten retail business would be lost. -465 homes could glut the local market,

The above are totals extrapolated from Chamber of Commerce statistics or actual figures based on Faribault State Hospital salary figures (estimates based on 988 job loss potential and Chamber of Commerce figures for each 100 jobs).

$343.200 (est.) in additional unemployment compensation for the loss of 165 additional community jobs (estimate based on $4 per hour x 4O hours x approximately 50% = $80 per week benefit x 26 weeks = $2,080 x 165 people - $343.200).

52.5 School District F.T.E.s and nine community jobs would mean an added minimal $127,920 in unemployment payments (probably twice this amount is more realistic).

3. Other community and state services lost would be:

Community leadership and education—Faribault State Hospital provides professional staff as speakers for community groups; space for educational programs and courses; related needs as they relate to the field of mental retardation and mental health. In addition we do provide a wide variety of internship programs for local AVTI students and several colleges. In addition the supervisory and professional staff serves in leadership roles in many community organizations, churches and clubs.

State losses would be:

-Telephone service for the Minnesota Braille and Sight Saving School, the Minnesota School for the Deaf, Department of Vocational Rehabilitation, Department of Natural Resources, State Employment Services, Department of Corrections, and National Guard as provided through our "Dimension" system.

- Office space for the Minnesota Department of Corrections (estimated replacement cost, $6,000 to $8,000).

-We are the closest facility to the catchments area that Rochester State Hospital had served and the loss of FSH would add 40 to 300 miles, depending on the facility used, to the driving distances for people from the Southeastern part of our catchments area.

-Civil Defense shelters for 8,000 persons—about half of the City of Faribault.

-The Faribault State Hospital Regional Laundry provides service for the Minnesota School for the Deaf, Minnesota Braille and Sight Saving School, Minneapolis Veterans Home, Hastings Veterans Home, Oak Terrace Nursing Home, Constance Bultman Adolescent Psychiatric Treatment Center, Bishop Whipple Schools (Shattuck, St. Mary's and St. James) and Rice County District One Hospital (Faribault City hospital).

-The Faribault State Hospital provides bakery products for St. Peter State Hospital, Minnesota School for the Deaf and Minnesota Braille and Sight Saving School.

-The Faribault State Hospital furnishes water, sewer, electricity and steam for heat to the Minnesota Braille and Sight Saving School. The Minnesota Braille and Sight Saving School does not have any heat capability.

-The Faribault State Hospital stores and would staff and operate a 250-bed disaster hospital as part of the State's Civil Defense Plan to serve the Metro area.

-The Faribault State Hospital is a repository of back-up microfilm state records.

-The Faribault State Hospital operates a Work Activity Center (sheltered workshop) which serves the Minnesota School for the Deaf, Minnesota Braille and Sight Saving School and Rice County Day Activity Center in addition to its own residents.

-Volunteer services to the Faribault State Hospital would be lost. They include:

The loss of over $74,000 annually in money and material assistance to residents served at the hospital.

The loss of approximately 13,500 hours annually of direct service from volunteers to residents served at the hospital.

The loss of money and merchandise to enhance and supplement programs and facilities intended to normalize and rehabilitate the developmentally disabled served at FSH.

The loss of a very valuable and comprehensive public education program portraying the abilities and needs of the developmentally disabled.

The loss of the new area-wide youth education program portraying the need for health care and information during pregnancy to reduce the Incidence of developmental disabilities.

The loss of a valuable volunteer training opportunity which has led to careers in human service fields for many volunteers.

The loss to the residents of a donation room providing clothing at no cost, and providing the needy of the community with low cost clothing.

The potential loss of many volunteers who have developed special interest in sharing self and goods with the developmentally disabled through a wide variety of volunteer programs.

Capital investment (and potential loss). In real estate transactions, property is evaluated based on its "potential best use", coupled with its best economic return. Because of the structure of the Faribault State Hospital buildings and their specific design, one has to assume the best use is a continuation of their use as residences for the mentally retarded or a similar group of persons such as the mentally 111 or chemically dependent. Therefore sale of the property would be limited to similar facility use or bare land minus building removal costs.

The American Appraisal Company evaluated our facility at $19,035,420. On a forced sale the State would probably gain only about 10% or $2,000,000, or a potential loss of $17,000,000. This is a real loss because of Federal matching funds reimbursed through cost of care based on our buildings' value.

In addition, the Faribault State Hospital has made the following capital improvements:

Since 1975 the State has invested over $7,000,000 in capital funding to correct identified deficiencies. The scope of these projects includes meeting Life Safety standards to ensure that each residential building on the campus provides a safe living environment; building remodeling to create "households" or "living units" which are apartments to house no more than 16 residents in a separate area with its own living and dining area, bathrooms and bedrooms which accommodate one to four residents; handicapped remodeling to provide wheelchair access to buildings and building facilities; Beautification funds used to decorate resident living and program areas to create warm, individualized and home-like atmosphere; emergency power to provide an automatic four-second supply of electrical power to sustain the electrical requirements of the campus; air conditioning of all physically handicapped or infirm areas.

In addition, major projects designed to reduce energy consumption were carried out. These include re-roofing and roof insulation; provision of storm windows, insulated doors and frames; electrical power factor correction; and energy management monitoring to automatically control and reduce loads and computer boiler controls. Also the fire alarm/detection system was expanded and improved, the "fire loop" was extended, domestic water wells renovated, and fuel storage capacity was increased. In addition hospital operating funds have been used intensively and extensively to provide furnishings, equipment, decorating, carpeting, etc.

As a result of these expenditures the physical facility meets all requirements for operation. It also has been adapted to meet the needs of the individuals it serves to provide a safe and optimal atmosphere in which to live, learn and grow.

Summary:

The general concern is, "Should one or more *of* Minnesota's State Hospitals be closed; and specifically, if one is to be closed, then which one should it be? Finally, if it were Faribault State Hospital, what would be the impact?"

We feel the answer is that no state hospital should be closed. Why? Minnesota's state hospitals are geographically located to serve as area centers for care, training and prototyping of advanced concepts in the field of mental health. Importantly they serve as "relief valves" to insure that areas clients will always have service available not subject *to* the changing needs or direction of private or semi-public vendors. Role re-definition is a continuing process for state hospitals. A need does exist to establish a clear, specific and productive continuum of care. State hospitals located in each geographic area of the state are seen as, and have to be, essential components of that continuum.

Should the Faribault State Hospital be closed? No! Southern Minnesota has only two remaining state hospitals since the closure of the Owatonna State School, the Hastings State Hospital and the Rochester State Hospital. The needs of Southern Minnesota and the metropolitan area (served only by Cambridge and Faribault for its mentally retarded population) require recognition In that the area possesses three-quarters of the state's population. Faribault State Hospital is an effective, viable, flexible and forward-looking facility. Since 1974 the facility has accomplished a complete physical plant renovation, has established mental retardation programs that are effective and represent advanced (and advancing) "state of the Art", and has regrouped its staff and other resources to optimally carry out its primary goal. The facility had effectively reorganized its management to Insure that it is responsive and efficient. It has more than significantly reduced its support staff to increase its direct care and professional staff. The hospital's direct care and program staff meet programmatic requirements. All professional expertise exists on the campus in the varieties and numbers required. The hospital is regarded as one of Minnesota's most cost-effective facilities. It has accomplished this cost-effectiveness without reduction of service to residents or staff. The hospital is fully licensed without restriction or exception and is likewise certified by State and Federal certifying agencies. It has applied for and expects to be accredited by the Accreditation Council for Services for Mentally Retarded and Other Developmentally Disabled Persons in the Fall of 1982.

The effect of closure on residents, staff, families and community is demonstrated in this paper to be greater than in most other state hospitals. The continued depletion of service to Southeastern and metropolitan Minnesota makes the question of closure an even more dubious and inappropriate alternative.

**STATE** OF MINNESOTA

DEPARTMENT **Personnel** *Office Memorandum*

TO : C. V. Turnbull, Chief Executive Officer DATE: June 17, 1982

FROM : Donald E. Nellis, Personnel Director PHONE:

SUBJECT:

Following are my notes on how I figured the various items:

FTE - Number of persons on payroll as of May 18, 1982

TMR - Numbers include only those that work with Faribault state Hospital residents

Unemployment Compensation - Based on approximately 50% of weekly income (complex formula but 50% is close). Maximum of $177/week now $184/week after July 1, 1982. 26 week maximum with 13 weeks maximum extension.

Used basic salary for Human Services Technician of $5.67/hr for minimum calculation.

Maximum - used $184/week which is maximum unemployment. Minimum $5.67 x 40 x .50 = 113.40 x 1040 « 117,936 x 26 - $3,066,336

$5.67 x 4 x .50 = 113,40 x 520 = 56,968 x 13 = 766,584

Maximum

164 x 1040 = 191,360 x 26 = 4,975,360

184 x 520 - 95,680 x 13 = 1,243,840

Insurance - Estimated 900 employees covered

50% Employee only @ 72.76/month
50% Employee and Dependent @ 168.86/month

450 x $72.76 = 32,742 x 6 - 196,452
450 x $168.86 = 75,987 x 6 455,922

652,374

Severance and Annual Leave Pay Off

(87,375)

(4,598)

Severance (40% x 218,438 + 25% x 18,393 - 91,973)

Minimum $5.67 x 91,973 = 521,487

Maximum $9.00 (EST) x 91,973 = 827,757

Annual

Minimum $5.67 x 102,345 = 580,296

Maximum $9.00 x 102,345 = 921,105

Relocation

Travel expense - mileage - meals - lodging

Realtor Fees - Maximum $3,000 - $4,000 (MNA, AFSCME, MMA, MAPE, SRSEA)

Moving Expense - Packing, moving (includes mobile home) Miscellaneous Expense - $350 maximum

$5,000 Estimate for each employee

DEN:sv