From: **Timothy Fraser** To: Vernita Todd

Subject: OSHPD 3 Information Needed - Due 5/31 Date: Tuesday, May 15, 2018 12:10:52 PM

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image003.png

## Member CEOs and CFOs:

Recently, Health Centers Partners received a glimmer of hope for an OSHPD solution when Senator Atkins' district staff, Jason Weisz, showed interest in the OSHPD 3 difficulties health centers are facing during one of our quarterly legislative briefings. He raised the issue with the Senator and her Pro Tem staff and is now requesting specific data on the effects OSHPD 3 is having on health centers. While this issue has been addressed by some of you with Senator Atkins, the Capitol staff is unaware of the magnitude of this impact on community health centers. Health Center Partners brought this to the attention of CPCA during their April Board meeting and will be leading an OSHPD 3 workgroup with members across the state to provide relevant and valid data to the Pro Tem's office. CPCA has shared the OSHPD 3 data from their survey last year but unfortunately the data collected was inconclusive and cannot be used to make a strong case. To lead this workgroup, HCP needs your help! Could you please provide the following OSHPD 3 information by May 31, 2018:

## Information Needed:

- Estimated cost on new construction for a large health center (5,000 sq ft +) before and after OSHPD3 standards are applied. It's our understanding that new construction can cost up to 30% more when applying OSHPD 3 standards. Please use specific examples such as name of health center, where it's located and where the costs increased if you have recently built a new facility.
- Estimated cost on new construction for a small health center (3,000 4,000 sq ft) before and after OSHPD 3 standards are applied. Also please provide if you have decided not to pursue building new small health centers due to the OSHPD 3 standards. Be specific on the location and size of the health center you declined to build based on the increased cost. Be sure to also include the # of patients that project would have served.
- Estimated cost to renovate an existing large health center. If your health center was built before OSHPD 3 standards went into place and you are planning to remodel 50% or more of the building, it would trigger the entire building to be brought up to OSHPD 3 standards. What would the estimated cost be? Be specific to include not just the renovation costs but also the cost of lost revenue and patient appointments lost/canceled if you were to need to close the clinic during construction.
- Estimated cost to renovate an existing small health center. Again, please be specific on costs for both the construction and the lost revenue along with patient appointment cancelations.

Has OSHPD 3 standards made it cost prohibitive for you to build new or renovate existing sites? Please be specific on where the new building or renovation would have taken place and the number of patients that would have been served. Do you have a Plan B?

To answer some of these questions, you may need to refer to your facilities manager, architect, or

**the construction company you used to get accurate data and cost figures**. Please do so, its absolutely vital we have accurate and defendable data when presenting the issue to leadership. We thank you in advance your time and effort on this and if you have any questions please reach out to Vernita Todd at <a href="mailto:vtodd@hcpsocal.org">vtodd@hcpsocal.org</a> or Tim Fraser at <a href="mailto:tfraser@hcpsocal.org">tfraser@hcpsocal.org</a>.

Sincerely,

Your HCP Team

**Timothy Fraser** | Vice President of Government Affairs

**Health Center Partners - HCP** 

direct: 619.542.4392 | fax: 619.780.0210

tfraser@hcpsocal.org | hcpsocal.org | #bettertogether







