



HOSPITAL SEISMIC SAFETY

Office of Statewide Health Planning & Development

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California state law requires hospitals to evaluate their facilities, develop plans to meet seismic standards and ensure that their buildings are seismically sound.

This bulletin shares the latest news on OSHPD's partnership with the state's 462 acute care hospitals working to meet seismic safety deadlines. Also included are recent items that may be of interest to those involved in hospital construction, planning and design.

To contact OSHPD about this bulletin, call (916) 326-3606.

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Phased Plan Review

Reduces Plan Delivery Time While Generating Cost Savings

The Office of Statewide Health Planning and Development's (OSHPD) Facilities Development Division (FDD) offers the Phased Plan Review (PPR) option for acute care hospital owners' consideration. PPR engages the review process at its earliest stages with plan review goals of facilitating hospital design, review, approval and construction efficiently and in a timely manner, while achieving code compliance.

As Phased Plan Review becomes more commonplace in the industry its impact on the hospital construction process becomes more pronounced. Two recent PPR triumphs include Kaiser Oakland's Medical Center and Sutter Medical Center's Castro Valley hospital.

As one of six Kaiser Permanente Hospitals selected to utilize this option, this 610,000 square foot, 349 bed project in Oakland, California, was renowned for its size and complexity. Contributing to these challenges were tight space constraints and significant entitlement issues that called out for an innovative solution.

"Kaiser Permanente requested that this project go through this process due to its excellent experience with OSHPD on previous phased plan review projects," said Kaiser Director of Major Capital Projects, Scott Bell.

Sutter's project, one of six relying on PPR, evolved into a 223,000 square foot, 130 bed, \$320 million project that faced similar entitlement issues along with a host of other challenges including pre-demolition requirements. Additionally, tight time frames loomed with the project needing to submit its structural design by the end of 2008, for construction to commence by July 1, 2009 for a January 1, 2013 opening. This meant that the design had to be done fast and to a very high standard.

"Utilizing PPR allowed the design to progress to permit faster mainly because OSHPD could review and comment on design work far earlier than normal, which meant the team could avoid a great deal of rework," said Sutter Medical Center Director, Regulatory Affairs, Carl Scheuerman.

The two pillars by which any PPR project fails or succeeds are collaboration and communication. Any



Artist rendering of Sutter Health Center, Castro Valley

complex project will flounder and fail without good communication and teamwork from its participants. Phased plan review provides architects and engineers nearly instantaneous feedback from OSHPD plan reviewers. Early FDD involvement eliminates major code deficiencies before they become part of the design, results in fewer back checks, decreases review times and results in an earlier approval and permit for the initial phase of the project. Design teams are able to address issues earlier in the process rather than waiting until the product is fully designed and then returning to address OSHPD's comments, which often significantly impact the project through change orders.

PPR creates a strong 'shared narrative' between the team and OSHPD – both are very clear on who is going to be doing what and when, and that gives them both a common focus and goal. Trust and respect flourish when deliverables are delivered as stated on time (and this very much includes the deliverable of "comments").

This in turn creates challenges for the design teams as there are more deadlines for them than in an incremental review. This requires developing a phased review schedule early on in the design that takes into consideration the construction sequencing requiring the project delivery team to think ahead. They need to understand what needs to be delivered and approved by when in order for the project to flow and take full advantage of the phased plan review benefits. The Sutter project alone had approximately 19 deadlines to meet with each one needing to be developed in great detail. Exactly what is going to be delivered at each of the 19 deadlines has

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...*"Phased Plan Review"* (continued from page 1)

to be confirmed and delivered completely and in the proper order.

"OSHPD was just as reliable at holding itself to meet its commitments as was the design team," said Carl. "It also creates stronger communication and responsibility from the design team to support PPR and the commitment not to make changes to what was sent to OSHPD."

Establishing open lines of communication between all parties encourages collaboration. All parties must rely on each other to hold up their end of the agreement in order for the project to succeed. Projects may be submitted to FDD in increments allowing for the construction of a building to commence while other portions of the work are still under design or review. The builder may still be coordinating work while the design team still resolves plan review comments as work progresses at the project site. This fast tracking process necessitates a well-coordinated and balanced effort by all teams, including the FDD field team.

"Through PPR, the relationship with OSHPD is the best I've experienced mainly in the level of respect the team has for the agency and vice versa," said Carl. "Both sides know they want the project to be successful without making any compromises to their traditional duties – the team to the owner, the agency to the public."

It is noteworthy to remember that while PPR can result in the aforementioned progress, it is not a cure all for schedule crisis, lack of planning and team collaboration. Quite the opposite, early, intense and thorough planning is essential for PPR to be successful.

"Phased Plan Review brings a much more collaborative effort," says Scott. "Teamwork, cooperation and collaboration are the keys to success; if the team is not working towards a common goal, the process will not provide the intended benefit."

Kaiser Permanente has been so pleased with the PPR process that they intend to use it on future projects. The healthcare giant saw significant cost savings and efficiencies estimating that PPR on its Oakland hospital reduced overall project delivery time by at least 16 months in addition to the several million dollars saved on projects in Anaheim, Fontana and San Leandro.

Sutter Medical Center's Carl Scheuerman echoes those sentiments.

"We have successfully removed one year from the design and permitting phase using PPR when contrasted with a traditional model, and our experience with this project is now appearing that we can reduce construction phase by close to a year as well," said Carl. "Across six projects, this would represent 12 years of construction cost escalation, while we can't quantify that collectively, we believe it to be substantial."

"While savings are important, what is most important is the ability to complete a project for the initially approved budget. Reliability is priceless," said Carl.

"Kaiser Permanente has utilized this process on all of our major projects and we have experienced great success," said Scott. "It is noteworthy to mention that each project was managed by different OSHPD supervisors with different approaches and each was successful. This process has really worked for Kaiser Permanente."

While Phased Plan Review is not suitable for all construction projects it remains an option as long as teams are open for collaboration and continuing communication. These efforts can facilitate hospital design, review, approval and construction efficiently and in a timely manner while achieving code compliance.

For details on Phased Plan Review go to www.oshpd.ca.gov/FDD/Plan_Review/Documents/PPR_White_Paper_final_08-19-08.pdf

Rapid Review Program Continues to Reduce Turn-Around Times

As the end of 2011 approaches the Facilities Development Division (FDD) continues to move forward in implementing a variety of programs and processes designed to go beyond "business as usual" and into the realm of "business better than usual." One of these programs is the Rapid Review Unit (RRU) that became operational in the Sacramento office on June 1, 2010 and has now expanded its operations offering comprehensive services to the Los Angeles office.

The RRU was created to provide expedient review times for qualified projects within prescribed complexity guidelines. The RRU reviews small renovation and remodel projects with a construction

cost of \$100,000 or less excluding the cost of fixed and imaging equipment. Projects requiring an Alternate Method of Compliance or Special Seismic Certification of equipment (if no pre-approval exists) are ineligible.

For the purpose of determining Rapid Review Unit eligibility, the estimated construction cost excludes imaging equipment costs, design fees, inspection fees, offsite improvements, and fixed equipment costs, including but not limited to sterilizers, chillers and boilers.

The Rapid Review program only applies to new projects within the construction cost designation, and will



Ombudsman Line

If you have questions, unresolved issues or complaints about OSHPD's Facilities Development Division (FDD), call the **Director's Ombudsman Hotline at (916) 326-3608**.

The line is available 24/7. If you have any questions, leave a voice message. Your call will be returned within two to three working days or as soon as possible. You may also e-mail your questions to: Ombudsman@oshpd.ca.gov.

This line is not intended to handle specific questions regarding code interpretation or routine construction. These questions should be directed to OSHPD's plan review or field personnel.

LA Office

The Southern California office of FDD is located in the Metropolitan Water District Building in downtown Los Angeles, adjacent to the historic Union Station and within minutes of the region's transportation hubs such as Amtrak, Metro Red Line (subway) and MTA bus networks. Driving directions and parking in the vicinity may be found at www.mwdh2o.com/mwdh2o/pages/about/union_station_parking_map.pdf.

SB 90 (Steinberg) Seismic Safety Extension

On April 18, 2011 Governor Brown signed SB 90 authorizing the Office of Statewide Health Planning and Development (OSHPD) to provide hospitals with an extension on an existing seismic safety deadline if certain requirements are met. Under the bill's provisions, OSHPD has the authority to grant a hospital requested extension of up to seven years for a facility with an SPC-1 building.

OSHPD would also be given new authority to consider public safety when determining whether to provide an extension and if so for how long. OSHPD would consider requests for extensions on a case by case basis based on the following criteria:

- Structural integrity of the building
- Community access to care if the hospital building were to close
- Financial capacity of the hospital to complete the construction in a timely manner

Any hospital with remaining SPC-1 buildings may apply for an SB 90 extension, regardless of its current compliance status. All applicants must comply with the criteria in SB 90, including the submittal of its SPC-1 buildings for HAZUS reassessment, if not already assessed. The HAZUS score will be used as the basis for determining structural integrity. Current HAZUS applicants will not have to resubmit and their score will not change.

A hospital requesting an extension would have to meet the following milestones:

No later than March 31, 2012

- Submit letter requesting extension
- Specify whether the project will be a retrofit, rebuild or remove the general acute care services from the building
- Specify the time necessary for the project

not apply to back checks, post approval documents, and deferred submittals pertaining to larger projects that were initially reviewed through a Region.

All RRU project reviews (i.e., first reviews, back checks, post approval documents, and deferred submittals) will receive a maximum turn-around time of 21 calendar days.

The Rapid Review Unit offers monthly Over-the-Counter days in San Diego for projects meeting the required criteria. Additionally, back checks are encouraged to be addressed via appointment in an Over-the-Counter process when questions or comments remain.

- Submit a schedule detailing the extension work
- Specify how the project will stay on track

No later than September 30, 2012

- Submit a HAZUS application ready for review
- ### No later than January 1, 2015
- Submit plans to build the project identified in the application and the schedule provided for the project
 - Submit a financial report describing the ability to complete the project

No later than July 1, 2018

- Receive a building permit for the project

Hospitals not applying for and receiving an extension under SB 90 are still subject to existing deadlines depending on which existing extension, if any, the hospital has and maintains eligibility for.

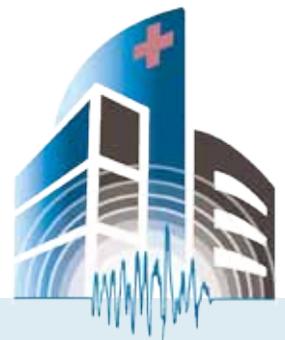
SB 90 becomes law on the date the California Department of Health Care Services receives all necessary federal approvals for a 2011-2012 fiscal year hospital quality assurance fee program that includes a \$320 million in fee revenue to pay for healthcare coverage for children, as specified.

OSHPD has worked with the Hospital Building Safety Board (HBSB) to establish regulations to implement the law. Regulations will clarify how OSHPD can use its authority to grant, deny or modify extensions. OSHPD issued a Policy Intent Notice (PIN 52, located on the Web at: www.oshpd.ca.gov/FDD/Regulations/PINs/52.pdf) on November 9, 2011.

If OSHPD denies an extension the hospital can appeal to the HBSB. The bill's provisions become effective when certain federal requirements are met.

From June 1, 2010, when the Sacramento team began reviewing construction documents thru December 31, 2010, the unit performed 285 reviews meeting its 21-day turnaround goal on 93% of the reviews. The start date for meeting the 21-day turnaround goal in the Los Angeles office began on February 1, 2011. This review process requires 256% less time than FDD's standard plan review process.

For additional information please contact the OSHPD Rapid Review Unit Regional Supervisor at diana.acosta@oshpd.ca.gov or 916-440-8440 to learn if your project qualifies for the program.



Voluntary Seismic Improvements Options Available

Targeted Retrofit of Serious Deficiencies May Improve Seismic Performance Rating

The Office of Statewide Health Planning and Development's (OSHPD) Facilities Development Division (FDD) offers another option for hospital owners with remaining Structural Performance Category (SPC)-1 buildings (those in most danger of collapsing).

For a significant number of buildings, the primary reason for SPC-1 classification is the presence of one or more structural irregularities or deficiencies. For some buildings, removing these irregularities or deficiencies by using voluntary seismic improvements prior to evaluation may increase the chances for an upgrade into a higher Structural Performance Category. Once the deficiencies are addressed the structure shall be deemed SPC-2 by OSHPD on the basis of a collapse probability assessment, provided the hospital buildings received an extension to the January 1, 2008 compliance deadline.

Hospital building owners deciding to target certain collapse hazard features for seismic upgrades may view the voluntary seismic option as a more cost effective approach rather than a complete retrofit or building replacement.

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SB 499 Reports

Signed into law on January 1, 2010, SB 499 requires hospitals with remaining SPC-1 buildings (those at most risk of collapse) to submit detailed data regarding their seismic safety compliance status by November 1 of each year and to update this information annually. SB 499 reporting requirements provide OSHPD with information on what facilities intend to do by 2030 for their acute care buildings.

Hospital Reports on Status of Seismic Safety Compliance SPC-1 Buildings must include the following information:

1) Buildings to be retrofitted or replaced

The report must identify each building to be retrofitted or replaced and include: the intended SPC level (SPC-2, 3, 4 or 5), the applicable deadline for retrofit or replacement, projected construction dates, project number, project status and approvals and number of inpatient beds and patient days by type of unit and type of service to be provided.

2) Building(s) to be removed from acute care service

The report must include: projected date of removal from service, planned uses for the building, inpatient services currently delivered in the building, number of inpatient beds and patient days, indicate whether the acute care services and beds will be relocated to new or retrofitted building.

3) Each facility for which any building will be removed from acute care service

The report must include: any net change in number of inpatient beds, type of unit and type of service, taking into account beds provided in buildings to be taken out of service, beds provided in buildings to be retrofitted or replaced, and beds provided in any

other buildings used for acute care inpatient services that is rated SPC-1.

4) Any general acute care hospital inpatient service that is provided in any general acute care hospital building that is rated SPC-1.

5) The final configuration of all buildings on the hospital campus showing how each building will comply with the SPC-5/NPC-4 or 5 requirements, whether by retrofit or replacement and the type of services that will be provided in each general acute care hospital building.

Hospitals failing to submit a report will be fined \$10 per licensed acute care bed per day but not to exceed \$1,000 per day for each noncompliant SPC-1 building. A hospital may appeal to the Hospital Building Safety Board regarding the assessed fine.

It is important to remember that the SB 499 reports are the hospital's reports and not OSHPD's. In order to facilitate the reporting process, OSHPD has worked with the individual hospitals to ensure the accuracy of the information reported.

While SB 499 required hospitals to submit reports by November 1, 2011, the law does not preclude the hospitals from making subsequent amendments to the reports. Therefore, the summary of the data is preliminary and subject to change as some reports are amended by the hospitals.

The SB 499 Reports are available on OSHPD's Web site within ninety days of the November 1 reporting date. They can be accessed at www.oshpd.ca.gov/FDD/seismic_compliance/#sb499.

e-Services Portal (eSP) Update - Access to Projects Now Available in Real Time

The Facilities Development Division's (FDD) Logbook continues its transformation debuting a Web-based project tracking and reporting system known as the e-Services Portal. Visitors to FDD's eSP Web page will notice a new appearance.

In 2012, hospital managers, building contractors, design professionals and FDD field staff will have real-time access to project status, the ability to request needed services, and the opportunity to submit applications online.

The new Logbook is the centerpiece of FDD's new e-Services Portal site. The Portal is based on the Accela Program and replaces FDD's archaic Logbook program. The Accela Wireless Module will allow field staff to submit reports electronically rather than mailing them in on paper. Inspectors will be able to wirelessly submit data from construction sites, rather than inputting handwritten notes at a later date. Hospital managers, building contractors and design professionals will be able access a dashboard of options that will provide real-time status updates of their project's

progress in greater detail with less effort. Clients will be able to interact with FDD electronically, while receiving more accurate updated information.

This new paperless system will allow FDD staff and its clients to communicate via Internet portals and continuously update and view project data. Perhaps the biggest advantage of the new Logbook is that it will greatly streamline the approval process by allowing electronic plan submittal and reviews. These future enhancements will continue to roll out in the new e-Services Portal in phases throughout 2011 and 2012.

The current tracking system, Logbook, was created in the early '90s and does not allow for electronic plan submission and review, does allow users to check the status of projects, but it doesn't provide any analytical capabilities. The number of projects under review by the FDD has increased substantially since the original system was implemented. Also, the estimated cost of projects under review by the agency has grown from \$2 billion to \$23 billion annually, prompting the office to replace the system.



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Hospitals seeking to enter the voluntary seismic improvement program are required to do the following:

- A structural evaluation
- A non-structural evaluation

Hospital buildings with the following deficiencies are not eligible for reclassification:

- The potential for surface fault rupture and surface displacement at the building is present.
- Buildings with unreinforced masonry bearing wall construction.



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