



*Georgetown Psychiatric Hospital
Proposed Project*

July 23, 2015

Discussion Items

- I. Introduction to SUN Behavioral Health
- II. Solving the Unmet Needs of Sussex County
- III. Our Experience Developing Psychiatric Hospitals

***I. Introduction to
SUN Behavioral Health***

Our Vision

The mission of SUN Behavioral Health is to partner with communities in solving the unmet needs of those suffering from mental illness and addiction disorders

- We do this by establishing and operating healthcare organizations that create a significant positive impact on society
- Through exceptional staff and the finest facilities, we provide personalized treatment, with deep respect and compassion for patients and their families

By collaborating with existing providers in Southern Delaware and Delaware State healthcare constituencies, our vision is to meet the current gap in behavioral healthcare services in Sussex County, offering the highest quality care in the region

Our History

SUN Behavioral Health was formed by a group of professionals with more than 50 years of combined experience in the behavioral health industry

- SUN Behavioral Health has extensive experience as seasoned behavioral health professionals
 - Our professionals have held senior roles in various organizations in the industry, including UHS, Psychiatric Solutions, Aurora Behavioral Health, Ascend Health, BHC, among others
- Our management team helped build a successful company of nine freestanding behavioral health hospitals – Ascend Health Corporation
 - Five different states across the country
 - Over 800 total behavioral health beds
 - Caring for over 15,000 patients per year
- We believe in creating an environment of care that is safe for patients and the community in which our facility is located

Our Investors

SUN relies on a capital base from a group of reputable institutional investors, some of them having previously invested in this management team

- Private-equity backed by leading healthcare investors
 - SV Life Sciences
 - Leading international healthcare services investor in operation since the early 1980s
 - Approximately \$1.9 billion of investments under management
 - NewSpring Capital
 - Philadelphia-based investment firm, founded in 1999
 - Over \$1 billion of investments under management
 - Petra Capital Partners
 - Tennessee-based investment firm, in operation over the past 20 years
 - Approximately \$540 million of investments under management
 - HealthInvest Equity Partners
 - Investment firm focused on starting and growing successful healthcare businesses
 - Over the past 15 years, principals of the firm have invested in many successful healthcare services start-ups, including Ascend Health Corporation

Our Typical Services

Patient-Centered Care

Services

- Hospital Based Services
 - Inpatient Psychiatric
 - Partial Hospitalization
 - Intensive Outpatient
- Assessment and Placement
 - Patient risk assessment: 24-hours mobile service
 - Crisis stabilization
- Partner with Educators
 - Medical/Nursing Schools
 - Schools of Social Work

Specialty Programs

- Mental Health and Chemical Dependency Services:
 - Psychiatric Intensive Care
 - Co-Occurring Disorders
 - Detox and Rehab
 - Faith-based
 - Military
 - Pain Management
 - Patients: children through geriatric

II. Solving the Unmet Needs of Sussex County

Rationale for the Proposal

Background

- Beebe, Nanticoke and BayHealth reached out to SUN to discuss the gaps in behavioral health services in their community
- The absence of a complete behavioral health continuum in Sussex County forces a large group of patients to seek treatment far away from home
 - Sussex county has over 500 medical beds and no private behavioral health beds
 - A shortage of community options means more people in psychiatric crisis
 - With a lack of options patients return to care again and again
- Delivery of behavioral health in coordination with general medical care can reduce costs and improve outcomes for patients
 - We find that the presence of a strong private behavioral health hospital attracts other services that build a strong continuum of care within the community

Populations to be Treated

- We will look to treat populations currently lacking access to specialty services
 - Children and adolescent
 - Geriatric
 - Military – active duty and veterans
 - Substance abuse

Health Resources Board Review Criteria

Criteria	SUN's Proposal
<i>Relationship with Health Resources Management Plan</i>	<ul style="list-style-type: none"> • Seeks to give access to short-term psychiatric beds to the Sussex County population, at a competitive cost and quality • Seeks to take care of the entire population, including under or uninsured, in coordination with existing providers
<i>The need of the population</i>	<ul style="list-style-type: none"> • High, as Sussex County currently has no short-term psychiatric beds and limited outpatient services
<i>The availability of less costly and/or more effective alternatives, including out-of-state resources</i>	<ul style="list-style-type: none"> • No similar hospital is available in Sussex County • The availability of short-term psychiatric beds in the nearby regions is limited
<i>The relationship to the existing health care delivery system</i>	<ul style="list-style-type: none"> • In assessing the market needs, SUN discussed unmet needs and challenges faced by existing health care providers • We discussed local needs with the three Sussex County acute care hospitals – Beebe, Nanticoke and Bayhealth
<i>The immediate and long term viability</i>	<ul style="list-style-type: none"> • Project is fully funded with financial backing from private equity investors • Management team with significant previous experience managing similar behavioral health organizations
<i>The anticipated effect on costs and charges</i>	<ul style="list-style-type: none"> • The provision of services can be offered at the same or lower cost to the patient than is currently available from other providers in the state of Delaware
<i>The anticipated effect on quality of care</i>	<ul style="list-style-type: none"> • SUN will bring specialty programs centered on evidence-based treatment to Sussex County • Patients to access care locally, allowing support system and families to be involved in care

Development Impact

Quality of life

- An estimated 3,500 patients a year at risk of harming themselves or others will be stabilized in a safe, caring and comfortable environment
- Assessment and outpatient services will be utilized by the majority of those patients as well as a significant number that won't need inpatient treatment

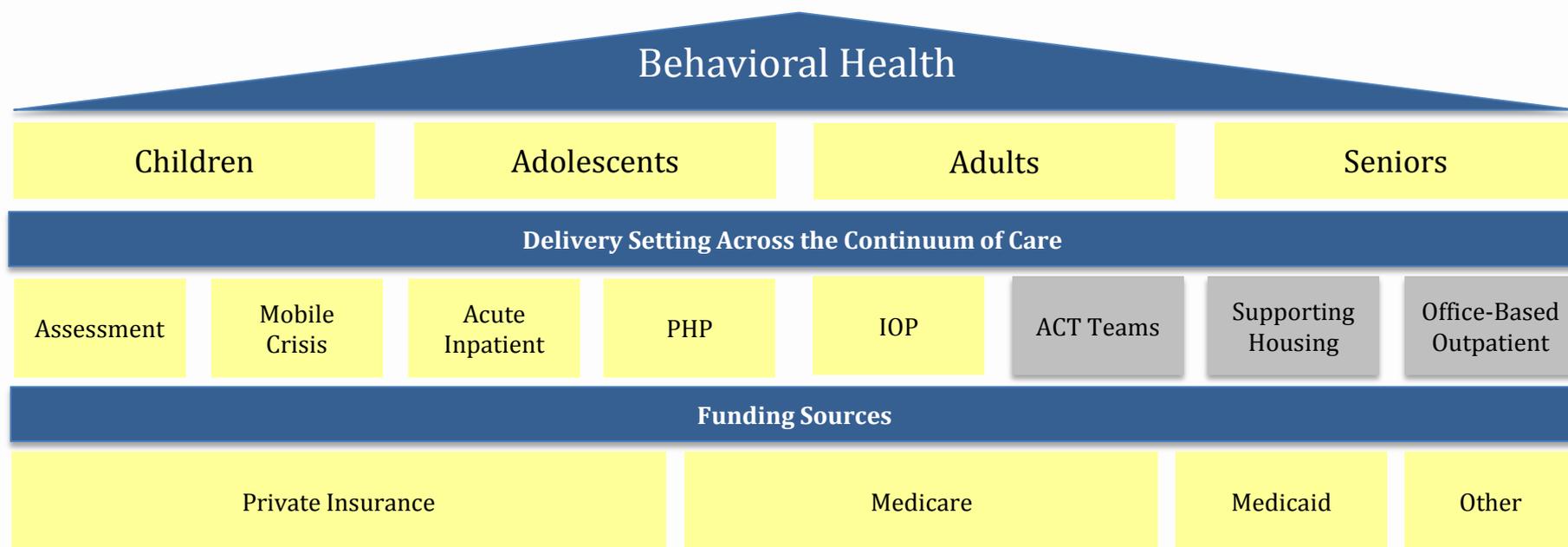
Job Creation

- Over 150 full time equivalent employees (FTEs) will be required to operate the new facility when fully operational
- Construction jobs to build a new 70,000 sqft hospital

Tax Status

- The company will be a for profit entity

Full Continuum of Care

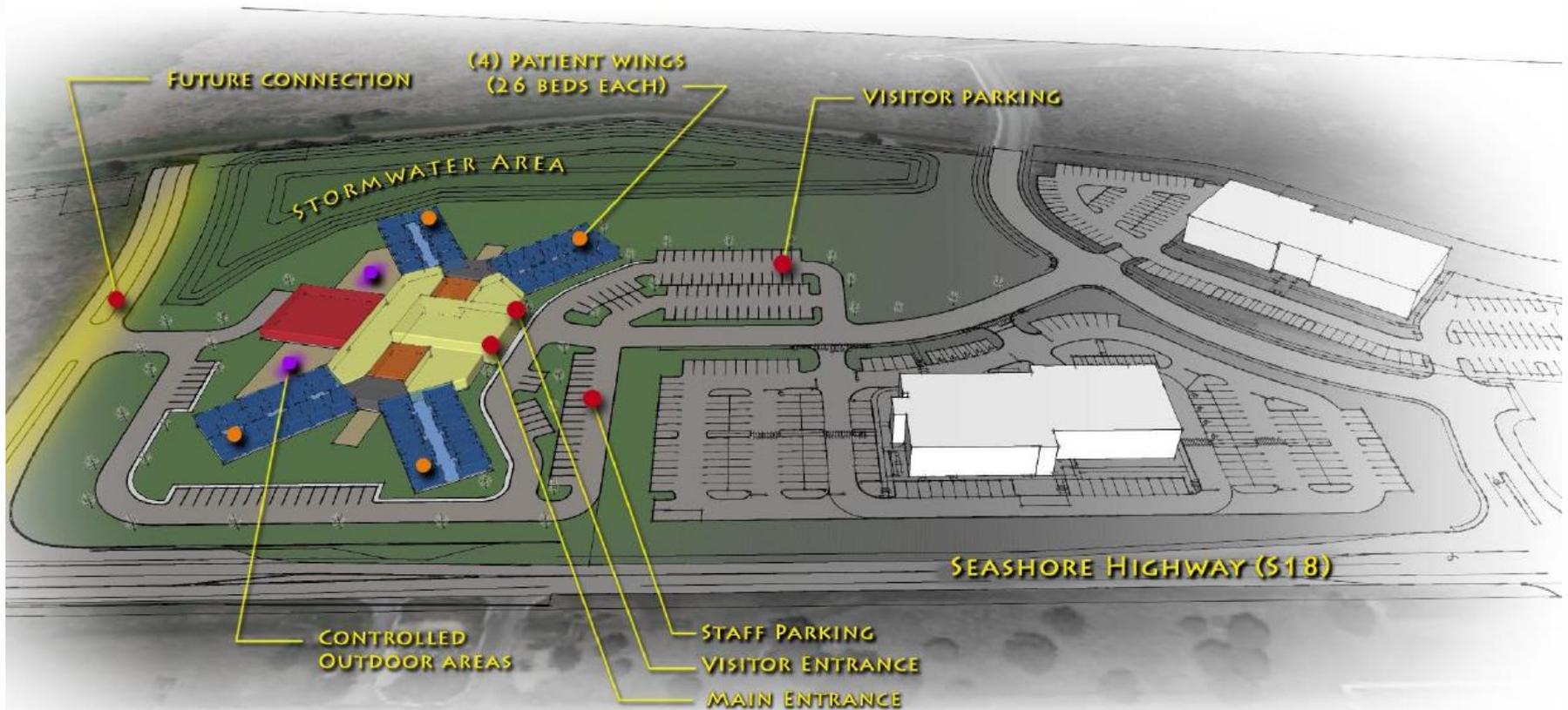


Note: Boxes highlighted in yellow denote where SUN Behavioral Health operates within the continuum of care.

Proposed Site Location



Conceptual Layout



III. Our Experience Developing Psychiatric Hospitals

Building a Freestanding Psychiatric Hospital

The management team of SUN Behavioral Health has significant experience building psychiatric hospitals

- Responsible for helping start seven new hospitals in various locations across the country for both SUN Behavioral Health and Ascend Corporation
 - Over 1,000 total new psychiatric beds created
 - Over 1,500 total new healthcare jobs created, in addition to construction jobs
 - Experience in certificate of need states
- Expertise in meeting regulatory requirements
 - Training of employees
 - Hospital license in many states
 - Compliance with all CMS and State regulations and maintaining Joint Commission Accreditation
- Real estate expertise
 - Identification of ideal location
 - Site planning and configuration
 - Environment of care and safety
- Implementing evidence-based curriculum in all treatment programs, including specialty programs for Women, Military, Faith-Based and others
- Providing best practice care and treatment to all patients, and incorporating Quality and Safety standards for patients and staff

Current Development Experience

Northern Kentucky Behavioral, Covington, KY

- Hospital currently under development
- Anticipated opening early 2017
- Total of 197 beds
- Mental health and chemical dependency
- Psychiatric emergency services
- SUN is in partnership with St. Elizabeth Healthcare to become the behavioral health solution to the Northern Kentucky region



Columbus Behavioral Health, Columbus, OH

- Hospital currently under development
- Anticipated opening late 2016
- Total of 116 beds, expected to increase to 144 beds
- Mental health and chemical dependency
- SUN is partnering with local providers to assess key market needs and provide a complete solution to community

