

Options for Improving the Texas Mental Health Hospitals Though Academic Partnerships

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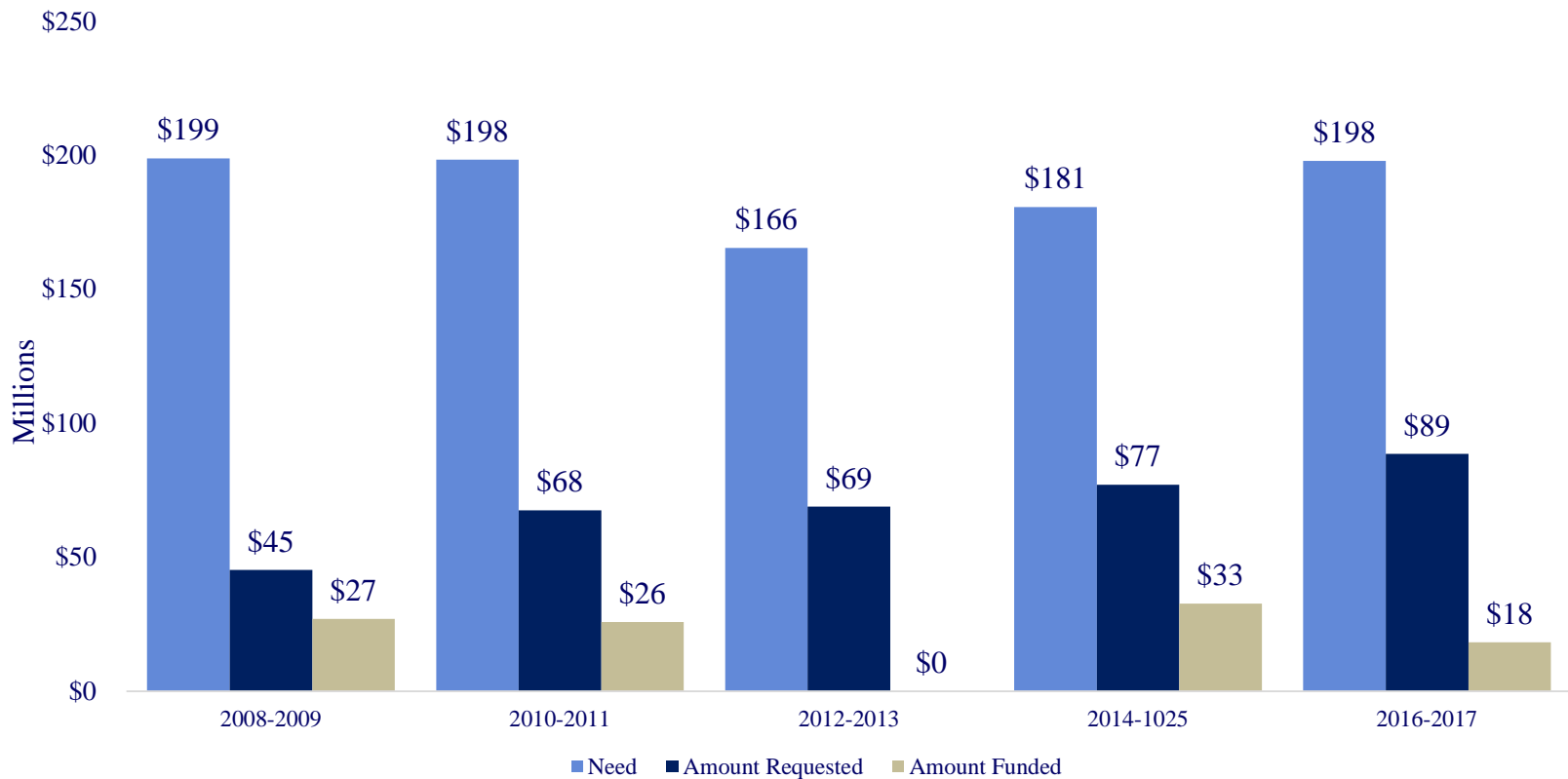
Key Challenges

- **Lack of Capacity**
 - Increasing maximum security waiting list
 - Decreased civil capacity due to increasing forensic demand
 - Current unmet need estimated to be 570 beds
 - Population growth (1.8% per year) over next 10 years will require an additional 607 beds
- **Hospitals are poorly designed for modern healthcare**
- **Current condition of hospitals**
 - Five hospitals need to be replaced
 - Lack of consistent funding for depreciation/ repairs
- **Cost of replacing hospitals**
 - Approximate cost of replacing a 300 bed mental health hospital is \$180-200 million
- **Increasing medical complexity of patients**
- **Lack of integration between physical and mental health**
- **Lack of strong partnerships with academia**
- **Rural facilities are frequently the sole “ industry” of the local community**
- **Recruiting staff**
- **Increasing outside medical care costs**
- **Role in disproportionate share hospital (DSH) funding**
- **Current mental health hospital system is underfunded**

Potential Goals for a Mental Health Hospital System Redesign

- Improved patient outcomes and experience
- Maximize the use of resources
 - Address long term operation costs
 - Minimize upfront construction costs when possible through partnerships
- Serve our patients in settings most conducive to their healing
 - Move civil capacity into the communities in which people reside
 - Optimizing rural capacity for forensic needs
 - Expand and better distribute maximum security capacity
- Minimize disruption to Texas communities that have invested in and are dependent upon State Mental Health Hospitals
- Establish strong academic partnerships to:
 - Enhance and advance care
 - Expand training opportunities for mental health workforce
 - Improve management of hospitals where appropriate
- Decrease dependence on future legislatures to secure funds for depreciation/repairs
- Change role of DSHS/ HHSC to contract management and oversight instead of direct operations when appropriate

Deferred Maintenance Funding Requests: Fiscal Years 2008 - 2017



Texas State Mental Health Hospitals

- **Hospitals requiring replacement**
 - North Texas-Wichita Falls
 - Terrell State Hospital
 - Austin State Hospital
 - Rusk State Hospital
 - San Antonio State Hospital
- **Hospitals requiring renovation**
 - Rio-Grande State Center
 - North Texas-Vernon Hospital
 - Big Spring State Hospital
 - Kerrville State Hospital
 - El Paso Psychiatric Center
 - Waco Center for Youth

Special Populations in State Hospitals

- **Adolescents**
- **Elderly patients/ Geriatric Psychiatry**
- **People with intellectual developmental disorders and mental illness**
- **People with medical conditions and mental illness**
- **People with a mental illness and a forensic legal status that are involved with the criminal justice system**

Models for Academic Partnerships

- **Psychiatric residency training in state mental health hospitals**
- **Combine psychiatric faculty/ practice plans**
- **Make all clinical staff university staff**
- **Complete management of the hospital**
- **University ownership of the facility**

Current Texas Models of Academic Collaboration in Inpatient Mental Health Services

- **UT HSC-Houston**
 - Harris County Psychiatric Center → next slide
- **UT HSC-Tyler**
 - **30 residential inpatient beds**
 - Opened March 2013
 - Funded by DSHS
 - **14 crisis center beds**
 - Opened September 2014
 - Funded through Local Mental Health Authority
 - **21 geriatric psychiatry inpatient bed**
 - Opened September 2014
 - Non-state funded
 - **Good integration of physical and mental health medical care**
 - Psychiatric emergency room is adjacent to regular emergency room
 - **New psychiatric residency program in partnership with Rusk State Hospital**

Harris County Psychiatric Center

- **276-bed acute care psychiatric hospital**
- **Second largest academic psychiatric hospital in the country**
- **Joint ownership between the state and county**
- **Operated and staffed by UTHealth Department of Psychiatry**
- **Teaching hospital**
- **Funded primarily by the state through a contract between UTHealth and The Harris Center, the local mental health authority**
- **The hospital is well designed and in good condition**

Potential Risks to Academic Institutions

- **Prestige**
- **Accreditation**
- **Financial risk**
- **Future funding levels**

Total Costs of Operating Hospitals

- **Current operating costs in DSHS budget**
- **Fringe benefits in ERS budget**
- **Deferred maintenance/ depreciation of facilities**
- **Outside medical costs**
- **Debt services for facility**
- **Inflationary costs**

Ways Academic Partnerships Could Improve Care

- **Bring telehealth/ telepsychiatry to hospitals**
- **Increase training opportunities for psychiatry residents and other critical mental health workforce**
- **Improve clinical setting**
- **Improve coordination with other healthcare providers in community**
 - **Reduce outside medical costs**
 - **Nursing homes and discharge placement**
- **Improve treatment of forensic patients in public psychiatric hospitals**
- **Expand prevention and early treatment programs**

Opportunities to Improve Cost Efficiency

- **Better designed facilities will lead to more effective use of staff**
- **Potential to decrease length of stay**
 - **Ability to serve more people with same resource**
 - **Challenging due to the shift in forensic capacity**
- **Minimize outside medical costs**
- **Use of technology such as telehealth**

Options to Fund Initial Construction of New State Mental Health Hospitals

- **State Legislature (GR or Debt)**
- **Philanthropy**
- **Public Private (or Non-profit) Partnership**
- **University –HHS Partnership**

UT Institutions Operating Hospitals

- **UT Institutions that currently operate hospitals**
 - MD Anderson → Cancer Specific Mission
 - UT HSC Houston (HCPC only)
 - UTMB
 - UTSW
 - UTHSC Tyler
- **UT Institutions that do not currently operate hospitals**
 - UTHSC SA
 - UT DMS (Austin)
 - UT RGV
 - All other academic institutions

Criteria for Full Partnership with University of Texas System Hospitals

- Hospitals in poor condition would have to be replaced**
- Reimbursement would need to include true operating costs**
- The plan would need to be approved by the University of Texas Board of Regents**

Process of Developing the Following Options

- Cannon Report and DSHS 10 year plan
- Campus tours
- Meetings between all academic psychiatry chairs in Texas and DSHS/ HHSC
- Discussions with Presidents of involved UT Health Science Institutions
- Note: These options have not been approved by the UT Board of Regents

Possibilities

Rusk State Hospital

- **Potential partnership between UTHSC Tyler and RSH**
 - Residency training
 - Incorporation of RSH physicians into the UT Practice plan
 - Management of the RSH for the state
- **Capacity → 300 bed forensic facility**
 - Increase maximum security beds to 100 initially
 - Build the remaining 200 forensic beds with the flexibility to convert them into maximum security if demand increases
- **Move current civil capacity to Tyler and Houston**
- **Funding for new hospital construction**
 - Limited options for public private partnership or philanthropy
 - Will likely need to be funded by the Texas Legislature

Austin State Hospital

- **Challenge**
 - Non-state run mental health beds are limited and some are in poor condition
- **Options**
 - **Possible role of UT/ DMS**
 - Integrate ASH physicians into the UT practice plan
 - Expand psychiatric residency by using ASH as a primary training site
 - Build office space for UT psychiatric department on the ASH campus
 - Build a Brain Institute on site
 - **Possible role of Austin Travis County Integral Care**
 - Build outpatient clinic space on site
 - **Possible role of Local Community**
 - Potential partners include Central Health, City of Austin, Travis County, others
 - Supplement additional wrap around services such as crisis services, psychiatric emergency room, alcohol and substance abuse services
 - **Funding**
 - State legislature could fully fund replacement of 300 bed mixed civil/ forensic facility
 - Fund a public –private (non-profit) partnership to build and operate facility based on future funding of full operational/ debt service/ depreciation of facility
 - Encourage entity to build additional capacity at their expense for third party funding capacity
 - Encourage entity to have graduate medical education experience
 - Potential role of philanthropy for Brain Institute
- **Excess land could be repurposed**

Possible Comprehensive Mental Health Campus Structure

UT Dell Medical School

Medical School
Psychiatry
Department

Brain Institute

Austin State Hospital
300 Beds
Flexible Design

Additional
50+ Beds

Local Community

Psychiatric ER

Crisis Center

Alcohol and Substance
Abuse Services

Austin Travis County Integral Care

Outpatient Clinic

Other DSHS and HHS Administrative Offices

Additional Capacity Options: Harris County

- **Expand Harris County Psychiatric Center bed capacity by 299 beds**
 - **Additional inpatient beds**
 - Short Term Acute inpatient beds 49 beds
 - Short Term Sub-Acute Patients 75 beds
 - **Community based residential beds**
 - Residential treatment 100 beds
 - Crisis respite housing 25 beds
 - Supported housing beds 50 beds

Additional Capacity Options: UTHSC-Tyler

- **Expand from 30 to 60 residential beds**
 - **Mixed civil and low risk forensic patients**
 - **Additional capacity can be opened as soon as funding is available**
- **Continue to provide crisis and geriatric psychiatry services at current capacity levels**
- **Funding level will have to include all operating costs and depreciation**
 - **No additional construction / debt service costs are needed**

Additional Capacity Options: Dallas/ UTSW

- **State-Academic partnership to develop inpatient capacity at UT Southwestern Medical Center**
 - **Build 150 (or larger) bed civil and medical/ geriatric psychiatric facility on UTSW Campus**
 - **Construction costs would be incorporated into operating expense**
- **Legislature would need to:**
 - **Pay for initial debt service this session**
 - **Pay for full operating/ debt/ depreciation costs the following sessions**

San Antonio State Hospital

- **Challenge**
 - SASH campus is a significant distances from UTHSC-SA
 - Campus also contains the San Antonio State School and TCID
- **Options**
 - Rebuild SASH on UTHSCSA campus
 - Rebuild on current SASH campus
- **Funding plan would need to be developed over next biennium**
 - Potential opportunity for Public-Private/ Non-profit Partnership
 - May need funding from Texas Legislature
- **Management plan**
 - There is not a desire to manage SASH by UTHSC SA at this time
 - Physicians could become part of UT Practice plan
 - Opportunity to expand residency and other work force training opportunities

Terrell State Hospital Options

- **Move 150 civil capacity to UTSW when capacity is constructed**
- **Backfill these 150 beds with forensic capacity**
- **Improve residency training opportunities with UTSW and UT Health Science Center Tyler**
- **Possibility of incorporating clinical staff into UT practice plan**
- **Secure funding following session for construction of new mostly forensic facility**

Rio Grande State Center

- **Multiple Components**
 - **Small State Mental Health Hospital**
 - **Renovation costs estimate: \$8.2 million**
 - **Small State Supported Living Center**
 - **Relatively new outpatient clinic**
 - **State laboratory**
- **UTRGV**
 - **Currently very busy setting up new medical school**
 - **New psychiatric residency was just accredited**
 - **Developing residency training opportunities**

Academic- LMHA Partnerships

- **UT SW model**
 - Metrocare pays UTSW for a faculty member to oversee residency training at Metrocare
 - Both Metrocare and UTSW see this as highly successful
 - UTSW residents with this experience have been much more likely to go into public mental health
- **Option**
 - Provide funds to incentivize LMHA to replicate this model
 - Approximately \$500,000 per site per year
 - Funds would support academic faculty member and several residents
 - Only entities that demonstrate a partnership between a LMHA and a psychiatric residency program would be eligible
 - This strategy has strong support from the academic psychiatric chairs across Texas

Potential Timeline

85th Legislative session

- Secure state funds to rebuild Rusk State Hospital
- Purchase 30 additional beds from UTHSC-Tyler
 - (Note: this could occur before session if funds are available)
- Provide direction to add capacity to UTSW
- Provide direction to add capacity to HCPC
- Austin State Hospital
 - Secure funds to rebuild ASH, or
 - Direct HHSC/DSHS to develop RFP
 - Funding for planning
- Consider funding partnership between Academia and LMHA based on UTSW/ Metrocare experience

Potential Timeline

86th legislative session

– Austin State Hospital

- Approve RFP
- If no successful applicants for RFP, will need to secure funds from the Texas Legislature

– San Antonio State Hospital and Terrell State Hospital

- Determine plan for funding new SASH and TSH based on lessons learned from ASH and RSH

– Fully fund new capacity at UTSW and HCPC

– Consider strengthening partnership between UTRGV and RGSC

Thank you!