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 oversite instead of direct operations when appropriate
Deferred Maintenance Funding Requests: Fiscal Years 2008 - 2017

- 2008-2009: Need $199, Requested $45, Funded $27
- 2010-2011: Need $198, Requested $68, Funded $26
- 2012-2013: Need $166, Requested $69, Funded $0
- 2014-2015: Need $181, Requested $77, Funded $33
- 2016-2017: Need $198, Requested $89, Funded $18

Bar chart showing the comparison of need, requested, and funded amounts for deferred maintenance over the specified years.
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
Examples of Successfully Partnerships with Academia to Operate State Mental Health Hospitals

• Ohio
• Georgia
• Kentucky
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
Options
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

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
- 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!