

Options for Improving the Texas Mental Health Hospitals Through Academic Partnerships

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David Lakey, M.D.

Chief Medical Officer

Associate Vice Chancellor for Population Health

The University of Texas System

Senior Vice President for Population Health

Isadore Roosth Professor

The University of Texas Health Science Center- Tyler

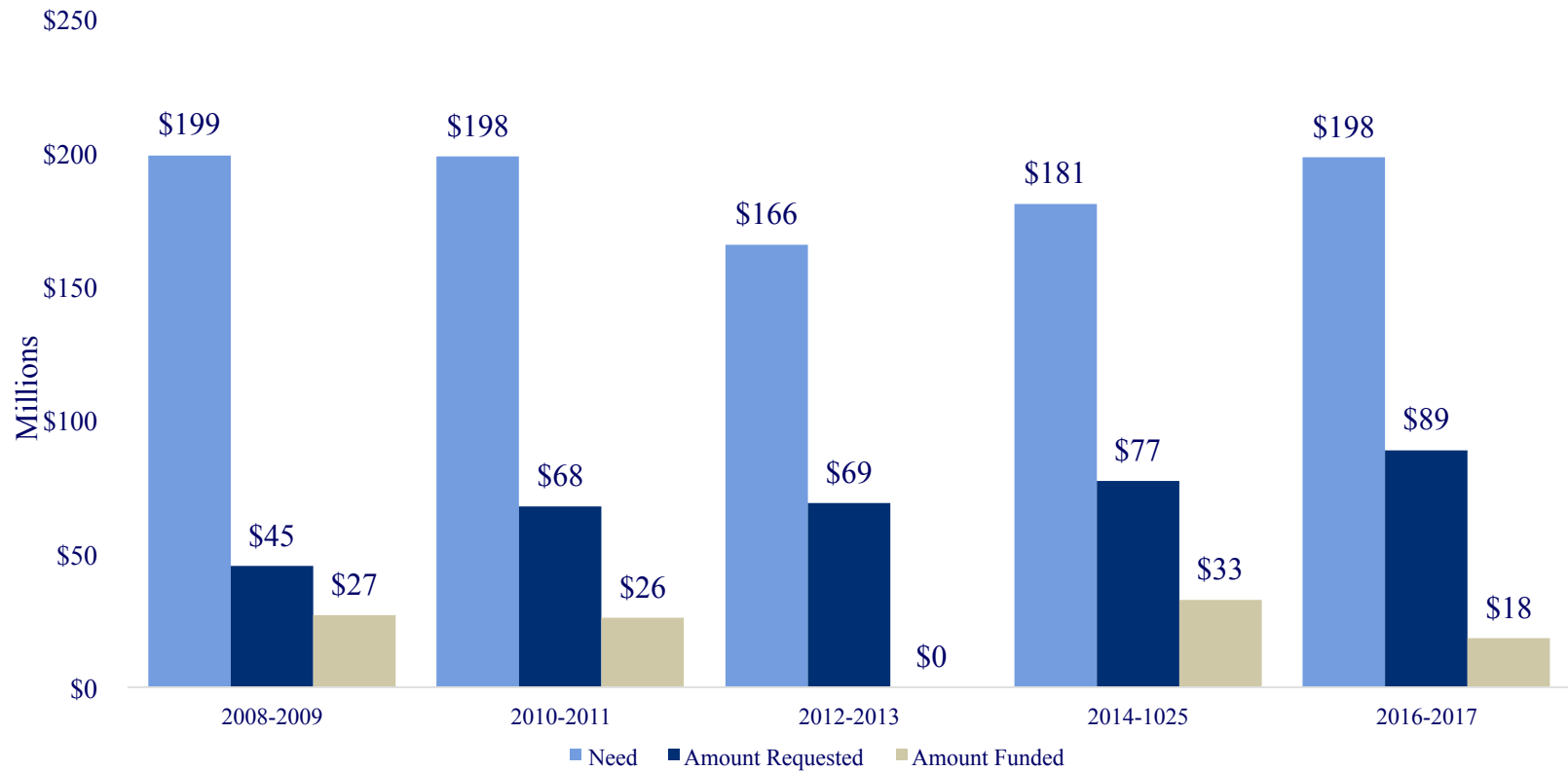
Key Challenges

- **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**

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

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
- **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!