

# **Options for Improving the Texas Mental Health Hospitals Though Academic Partnerships**

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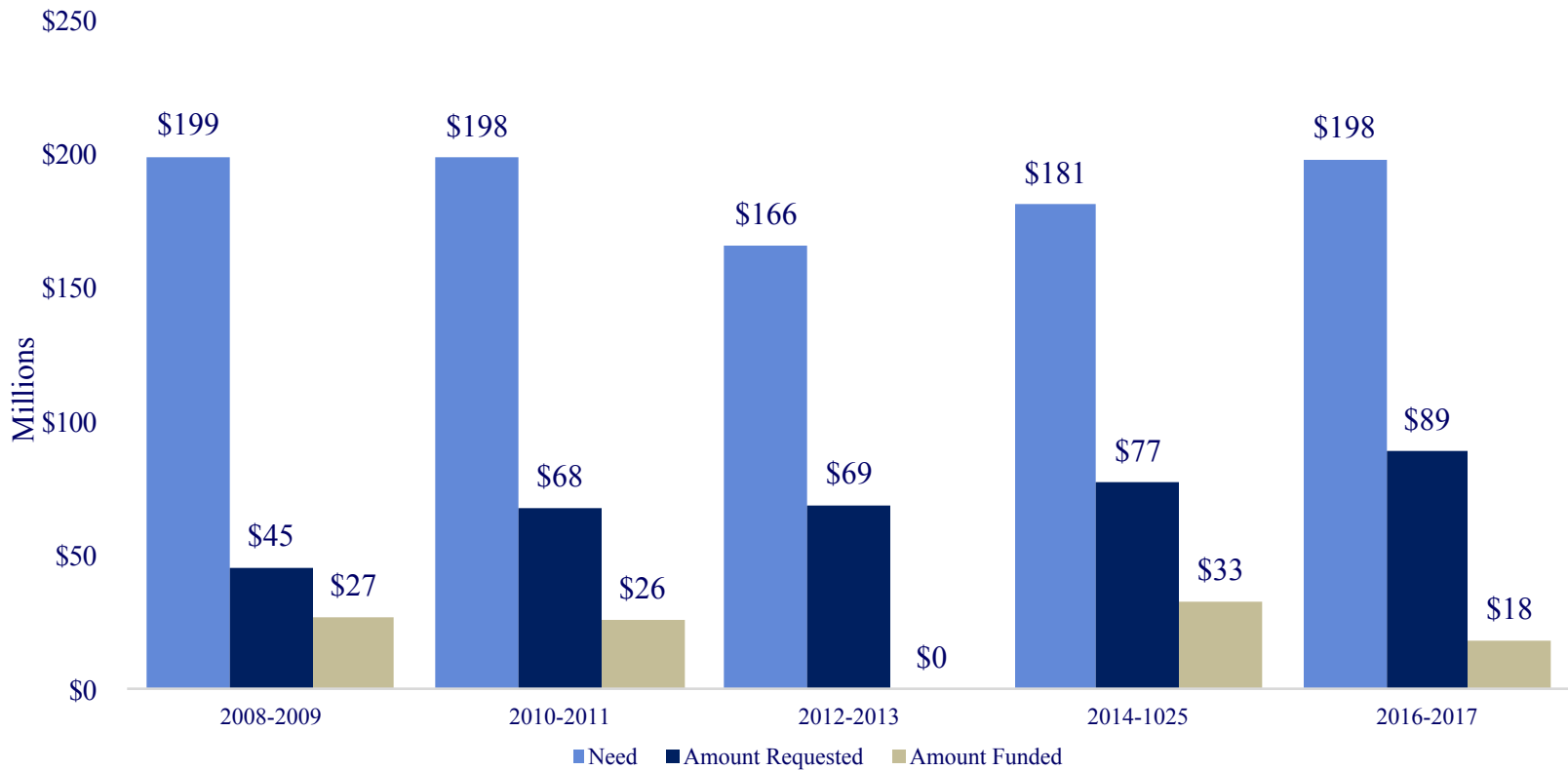
# Key Challenges

- **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**

# **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

## **85<sup>th</sup> 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

## **86<sup>th</sup> 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!**