KANSAS MENTAL HEALTH COALITION

An Organization Dedicated to Improving the Lives of Kansans with Mental Illnesses

Testimony presented to the House Social Services Budget Committee
Re: Osawatomie and Larned State Mental Health Hospitals

Amy A. Campbell – February 11, 2019

Thank you for the opportunity to address your committee today on behalf of the Kansas Mental Health Coalition. The Kansas Mental Health Coalition is dedicated to improving the lives of Kansans living with Mental Illnesses and Severe Emotional Disorders. We are consumer and family advocates, provider associations, direct services providers, pharmaceutical companies and others who share a common mission. At monthly roundtable meetings, participants develop and track a consensus agenda that provides the basis for legislative advocacy efforts each year

The Moratorium on Admissions at Osawatomie State Hospital: A Crisis for Communities

The state's psychiatric inpatient system is broken. Simply put, it does not have the capacity to meet the current demand to serve Kansans who need inpatient treatment. Osawatomie State Hospital has lost its CMS certification for the majority of the hospital. Adair Acute Care at Osawatomie is the acute care 60 bed unit that has recently been recertified and must operate as an independent hospital. The fact is, mental health advocates have been warning of the potential crisis for more than ten years, and today, we have the bed capacity study ordered by the Legislature that confirms the need for hundreds of additional beds in order to meet the need in Kansas. In recent years, the Legislature has provided millions of dollars of important supplemental funding to the hospitals and restored some beds, but the moratorium on admissions at Osawatomie State Hospital remains in effect.

Why this matters: Kansans who experience a mental health crisis need the care and treatment required to help stabilize them and allow them to return to the community. Of those who use our state hospitals, more than 70 percent do not have Medicaid or other forms of reimbursement, limiting their access to private hospital beds. All this underscores the need to support a state mental health hospital system as a safety net for those who experience a mental health crisis. Without that safety net, many of these individuals will become involved with law enforcement or be seen in emergency rooms, shifting the cost to other systems. Whether public or private, underfunded inpatient facilities are not safe for patients or staff and they do not produce lasting recovery for patients, so we cannot reallocate hospital funding without jeopardizing lives.

The moratorium on admissions means that people who are in crisis and at risk of harming themselves or others must wait for needed treatment. There are no voluntary admissions under the moratorium, so every case must go through the legal process for involuntary commitment. Kansas law enforcement organizations and community hospitals identify the moratorium at Osawatomie State Hospital as a crisis. And now, they report that dozens of individuals who have been involuntarily committed are being rejected by the state hospital due to their diagnosis or unrelated medical conditions. If our state hospitals cannot serve these individuals, we must provide a resource that can.

Those who are involuntarily committed must wait for bed space to open up for their admission. Individuals are held in a variety of settings – placing community providers and law enforcement in the position of attempting to protect and care for them in surroundings that are not built for such situations. Local law enforcement officials confirm that under these circumstances, they have made the difficult decision to walk away from some cases where interventions might have been best, but simply can't be managed if it will require taking officers off the street.

The lack of capacity in community based mental health services and in the state hospital system exacerbate the mental health crisis of the individual through increased use of criminal charges for minor offenses to resolve immediate problems of disorder. This results in citizens being incarcerated that could be better served by mental health services. Incarceration in these situations needlessly harms the person's ability to function in the community and places them in a setting where they are, at best, receiving minimal mental health services with diminished probability of stabilization.

Solutions Must Include Attention to the Behavioral Health Continuum of Care

In the midst of this gloomy picture, the Secretary of the Kansas Department on Aging and Disability Services and his staff have energetically pursued CMS recertification for Osawatomie State Hospital and important improvements in training, staffing and treatment delivery at both state hospitals. There is still a lot of work to be done. These problems have been exacerbated over many years, and they can't be fixed with short-term strategies. The State's ability to address overall behavioral health treatment delivery for Kansans is limited while we struggle to deal with the immediate crisis.

For instance, the decision to separate Osawatomie into two unique hospitals raises a number of concerns. Adair Acute Care at Osawatomie State Hospital is recertified, but Kansas is still unable to recoup federal Medicare and DSH funds for the majority of the beds at Osawatomie – referred to as the state licensed beds or non-certified beds. There are higher costs of duplicate administration. More importantly, will the two hospitals be comparable in quality and care? Will there be disadvantages regarding treatment quality or employee safety?

The 2018 and 2019 Mental Health Task Force Reports as well as multiple prior reports have asserted the needs for higher levels of community based care, including crisis stabilization services, mental health and substance use disorder treatment and detox services (inpatient and outpatient), and multiple levels of housing resources. These community strategies must accompany hospital investments if we are to avoid the established need for up to 221 additional state hospital beds in Kansas determined by the bed study commissioned this past year. (2019 Mental Health Task Force Report pp. 4-12)

Recommendations

1) **End the moratorium by immediately increasing inpatient psychiatric capacity for voluntary and involuntary admissions as recommended by the Mental Health Task Force Report (36-60 beds within 24 months) and investing in the current state hospitals. The Kansas Legislature should support and fund high-quality psychiatric inpatient services to meet the needs of all Kansans who require this care including voluntary and involuntary admissions.** Beds must be restored to end the moratorium that has placed Kansans in a psychiatric crisis on a waiting list since June 2015. This is priority one for communities and law enforcement. It is worth noting that the State promised to provide 206 beds at OSH when Rainbow Mental Health Facility was closed.

2) **Invest in the current state hospitals.** Stabilize staffing at state hospitals by eliminating shrinkage, updating market analyses for wages, and ensuring sufficient FTEs for quality treatment and the number of licensed beds. The current state hospitals are the safety net of our mental health system and must be continually supported with the necessary supplemental funding to replace lost federal funding, salaries and wages to stabilize staffing, training investments to build our workforce – including licensed mental health technician education, and building improvements whether new or remodeled to restore CMS certification.

3) **Fund Regional Crisis Locations to replicate throughout the state the crisis stabilization services established recently at the former Rainbow Mental Health Facility serving Wyandotte and Johnson Counties and fund them into the future**. Develop community crisis locations in

regions across the state including co-located substance use disorder (SUD) services with sustainable funding. The percentage of uninsured served within more intensive community treatment programs means that these programs struggle for sustainability. The positive outcomes of these programs are well documented but they will not survive on Medicaid and insurance reimbursements alone.

4) **The Crisis Intervention Act.** Opening facilities that can be certified for short term commitment and stabilization require new rules and regulations as well as specialized staffing and funding. The Act was passed in 2017, but has not been implemented.

5) **Provide for continued public/private partnerships for local psychiatric inpatient beds to alleviate the growing demand for state psychiatric hospital beds**. Currently, KVC provides state hospital diversion beds in Kansas City. In recent years, Prairie View and Via Christi contracted to provide beds under the census management initiative. These contracts provide the state with options to alleviate waiting lists while offering quality care to patients in accredited facilities.

6) **Submit Federal Waiver Application for the IMD Exclusion rule.** Seek revocation or waiver of the federal Institution for Mental Disease (IMD) exclusion rule to increase federal reimbursement for inpatient treatment.

7) **Implement the recommendations of the Mental Health Task Force.** The Report recommends a comprehensive plan to address needs at all levels and in all settings, including adding inpatient capacity up to a total of 221 new beds over five years. Strategic planning will make the current hospital crisis a temporary situation and move our State forward in developing a balance between our inpatient resources and truly provide the right care at the right time in the right place.

Building a New Hospital

A new hospital building at Osawatomie would provide needed additional inpatient beds, reduce the operational costs of the state hospital, create a safer and healthier therapeutic environment for patients, as well as improve our ability to recruit and retain staff. When building a new facility, it is important to plan into the future for necessary capacity and flexible use for the future. Such a new building must include medical facilities and accommodations for individuals with mental illness who also have physical limitations that are currently being rejected for those limitations or medical conditions.

Privatization of Osawatomie State Hospital

Any proposal for privatization of state hospital inpatient services should be evaluated on its potential to improve the current behavioral health system in Kansas overall and not to simply replace the State's role in operating the hospitals. Privatization efforts across the country have not succeeded in erasing the challenges Kansas faces today. However, Kansas currently has positive public/private partnerships for smaller children's hospital units and adult diversion beds, which may provide an example for regionalized state hospital bed opportunities. The 2017 RFP produced a full privatization proposal that would require the State to build a hospital to be operated by a private entity. The most recent agency RFP sought proposals for regional inpatient beds. Those proposals have not yet been made public.

The Coalition endorses the Mental Health Task Force Report which recommended a comprehensive approach in lieu of full privatization.

Thank you for the opportunity to speak to you today. Please feel free to contact me at any time to discuss these issues further.

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