

Memorandum

To: Diane Van Maren, Health Policy Consultant, Office of the President Pro Tempore
Darrell Steinberg

From: California Coalition for Mental Health Alternatives to Crises Institutionalization
Workgroup

Date: 3/22/2013

Re: Alternatives to Psychiatric Institutionalization for Adults

Recent reports* have called attention to the growing problem of inappropriate and unnecessary utilization of local hospital emergency rooms in California communities due to limited mental health services for individuals in psychological distress and acute psychiatric crisis.

Too often increased demand for acute and emergency psychiatric services resulted in additional inpatient beds and other institutional resources, such as skilled nursing facilities (IMDs). This response has been both expensive and counter-productive causing systems to become overly dependent on hospitalization, emergency room, and long-term care settings as short-term and institutional solutions for individuals in acute psychiatric distress.

Too rarely has this challenge been addressed by developing community-based resources that provide a more comprehensive continuum of services to address the short-term crisis, acute needs and the longer-term ongoing treatment and rehabilitation opportunities of clients. These community-based services, which include respite care, crisis stabilization/urgent care, crisis residential treatment and transitional residential treatment, prevent the unnecessary utilization of expensive and limited psychiatric beds, hospital-based psychiatric and general emergency rooms, and involuntary skilled nursing placements. Counties that do not have an adequate array of crisis services as part of their delivery system, leave the consumer with no choice but to use costly emergency room departments and increase the chances of inpatient hospitalization.

*The California Department of Health Care Services (DHCS) contracted with the Technical Assistance Collaborative (TAC) and Human Services Research Institute (HSRI) to conduct a Mental Health and Substance Use System Needs Assessment to satisfy the Special Terms and Conditions required by the Centers for Medicare and Medicaid Services (CMS) as part of California's Section 1115 Bridge to Reform waiver approval. This assessment determined that:

- 1) "Availability of alternatives to inpatient hospitalization such as crisis residential services is limited, with very few providers of crisis residential services existing across the state" and that "Increasing the availability of services intended to divert people from inpatient care, such as crisis residential and peer support services, may lessen the impact of the shortage of inpatient and detoxification beds in the state." (Page 12)
- 2) "From a quality improvement perspective, of course, given all of the negative consequences of ED utilization it is desirable not only to maintain rates but to reduce them. For the SMI population in particular, of which almost a fifth visit the ED at least once a year, a reduction in this rate would be a significant gain in system performance. Services designed to intervene early and assist people in crisis, thus diverting them from using the ED at all, are an important component of a "good and modern" mental health and addictions system." (Page 77)
- 3) "Because mental health rehabilitation reduces hospitalization, greater utilization would be very cost effective." (Page 89)

The majority of emergency room departments are not designated nor do they have the capacity of capability to care for individuals in acute psychiatric crises. Many of these individuals could be served and served effectively in community-based crises programs, thus removing the pressure from both the police and the local emergency rooms. Data available on community-based crises services show that the cost of urgent care in a free-standing, non-hospital setting is significantly less than the cost of an intervention in a hospital emergency room.

Further compounding access challenges are the insufficient array of transitional residential treatment resources for individuals ready for discharge from an acute psychiatric bed. It is incumbent upon the delivery system to ensure adequate step down levels of care for these individuals. The majority of which have concomitant substance abuse and mental health treatment needs. Therefore, ongoing treatment in a rehabilitation and recovery-based transitional residential setting provides the critically needed support for someone with behavioral health needs.

With the implementation of the Affordable Care Act provisions and its impact on community health services, the ability to control costs, reduce recidivism, and provide meaningful outcomes will demand a broader array of community services. Funding is needed to develop and implement this continuum of crisis and transitional services.