

San Diego Psychiatric Services

Tri-City's Shutdown of Psych Units...Tip of the Iceberg

EXECUTIVE SUMMARY

The United States is in the midst of a psychiatric bed shortage that worsens every year. By early 2016 the practice of closing state mental hospitals, often called “deinstitutionalization,” had eliminated more than 96% of the last-resort beds that existed in the mid-1950s. Providing these necessary psychiatric services fell to county and local agencies, private hospitals and other inpatient service providers. After a brief period of expansion in the 1990s, private hospitals are now shrinking their psychiatric inpatient capacity. The consequences are many and far-ranging, and, because of financial disincentives, private and other inpatient service providers are not stepping in to replace those psychiatric services that are lost.¹

The County of San Diego’s Health and Human Services Agency (HHS) has been diligent in its efforts to keep up with the mental health needs of the County; however, these needs continue to increase, especially regarding the availability of psychiatric inpatient services, most commonly referred to as “psych or psychiatric beds.” Additional psychiatric beds will not solve all of the current mental health issues, but would represent a significant step forward. This report will focus on beds and will also identify some of the past and proposed actions that have addressed psychiatric services for the County. It will also make recommendations that the 2018/2019 San Diego County Grand Jury (Grand Jury) sees as opportunities for advancing positive outcomes.

BACKGROUND

The Grand Jury began its investigation in response to a citizen complaint referencing a series of articles in the *San Diego Union Tribune* regarding Tri-City Medical Center and its decision to close two psychiatric units. The Grand Jury investigation found that the real problem was not limited to psychiatric beds or to one hospital, but was, in fact, county-wide.

METHODOLOGY

Members of the Grand Jury interviewed:

- Representatives within Behavioral Health Services (BHS)
- Representative from the HHS
- Representative from the Hospital Association for San Diego and Imperial Counties (HASDIC)

Members of the Grand Jury visited:

- San Diego County Psychiatric Hospital (SDCPH)

Members of the Grand Jury reviewed data and reports from:

¹ Treatment Advocacy Center • www.TreatmentAdvocacyCenter.org “Psychiatric Bed Supply Need per Capita” September 2016.

- California Hospital Association: August 2018, Psychiatric Bed Annual Report
- Hospital Association of San Diego and Imperial Counties

Members of the Grand Jury attended:

- San Diego County Board of Supervisors (Board), Board Conference “Caring for People in Psychiatric Crisis in San Diego County”
- Board meeting on December 11, 2018 in reference to Agenda Item #25: Advancing the Behavioral Health Continuum of Care through Regional Collaboration and Innovation
- Board meeting on March 26, 2019 in reference to Agenda Item #5: Advancing the Behavioral Health Continuum of Care through Regional Collaboration and Innovation

DISCUSSION

On June 26, 2018 the elected board of Tri-City Medical Center voted to close its 12 person crisis stabilization unit², as well as its 18 bed behavioral health unit³. Both units were scheduled to close within 60 days. Tri-City noted that the financial burden of federally mandated renovations, as well as state law that requires every hospital to meet seismic safety standards by 2030, were major factors in this decision. After some pushback from the community to reverse their decision, Tri-City formally suspended its 12 person stabilization unit in August 2018 and its 18 bed locked behavioral health unit on October 2, 2018.

The decision by Tri-City Medical Center was not the first, and by no means will it be the last, decision to affect the level of psychiatric services provided to citizens of San Diego County. Behavioral health was identified by the region’s 2016 Community Health Needs Assessment as the number one underlying health need in San Diego County.⁴

Behavioral Health Services (BHS), a division of HHSA, provides mental health and alcohol or other drug services for children, youth, families, adults, and older adults in San Diego County. BHS promotes recovery and well-being through prevention, treatment, and intervention, as well as integrated services for clients experiencing both mental illness and alcohol or other drug issues. Services are offered through contracted providers and County-operated facilities.⁵

² A psychiatric crisis stabilization unit (CSU) provides crisis intervention and acute psychiatric stabilization to adults with major mental disorders. The objective of the crisis stabilization unit is to stabilize the client and refer him to the least restrictive level of care. While most psychiatric clients are on a 72-hour hold, (pursuant to W&I code 5150, *infra.*) the limit for CSU is 24 hours. If the client cannot be safely released following the CSU visit, he must be transferred to an in-patient facility. Sometimes called “observation units,” these facilities are a growing trend in American health care as medical providers struggle to meet the growing demand for mental health services. Often using recliners instead of beds, they provide a quiet space where patients can stay for up to 24 hours under the care of specially-trained social workers, nurses and psychiatrists.

³ Sometimes called the psychiatric unit, the behavioral health unit (BHU) is an area of the hospital designed specifically for providing mental health care. People typically need care in a BHU because their symptoms are serious and unstable or they are at risk for harming themselves or others. The main goal of the unit is to provide a safe, secure place where people receive treatment and move beyond the immediate crisis.

⁴ Hospital Association of San Diego & Imperial Counties: Economic & Key Issues Report, 2017

⁵ SanDiegoCounty.gov - Health & Human Services Agency, Behavioral Health Services website

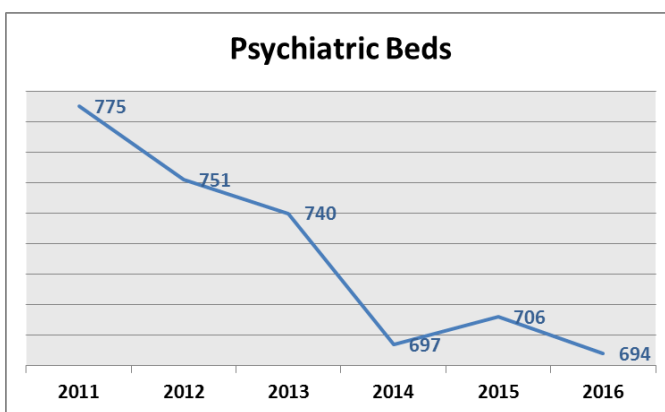
Some patients arrive at psychiatric facilities for care on their own volition; others are brought in by law enforcement, families, or emergency medical technicians. Typically, patients who come for emergency services receive on-site treatment and are discharged with medication and referrals for outpatient treatment in the community. However, some patients are transferred or referred to other mental health facilities, while others are admitted for further treatment. Involuntary psychiatric holds, known as §5150 in the California Welfare and Institutions Code (W&I), are also processed in these facilities.

In order to adequately meet the needs of the existing population, the California Hospital Association's (CHA) recommends a minimum of 50 psychiatric beds per 100,000 citizens. The Treatment Advocacy Center, a national nonprofit organization dedicated to making treatment possible for severe mental illness, published a study in 2008 that provided the most commonly cited bed target in the United States: 40 to 60 beds per 100,000 people.⁶

Using the 2017 San Diego County population of 3.338 million, and based upon the suggested targets, the necessary psychiatric beds to meet current needs would be between 1,352 and 1,669 beds⁷. While the Grand Jury takes no position on what is the correct bed target, noting that there is no official effort to validate or revise these numbers, it is clear that the current number of available beds in San Diego County is insufficient.

Even as the Tri-City decision was posted, there continued to be an annual decline in psychiatric beds in San Diego County:⁸

- 2016: 694 beds
- 2015: 706 beds
- 2014: 697 beds
- 2013: 740 beds
- 2012: 751 beds
- 2011: 775 beds



The loss of beds in San Diego County resulted in only 21.28 beds per 100,000 in population, less than half of the recommended level.

One of the outcomes of this decline is that there are an increasing number of patients that are accessing mental health services through the emergency departments in hospitals. On a typical day in San Diego County, more than 50 patients are being cared for in acute care emergency departments as they wait up to 36 hours for a psychiatric inpatient bed to become available.

⁶ Treatment Advocacy Center (2008) "Psychiatric Bed Supply Need per Capita"

⁷ California Psychiatric Bed Annual Report, August 2018

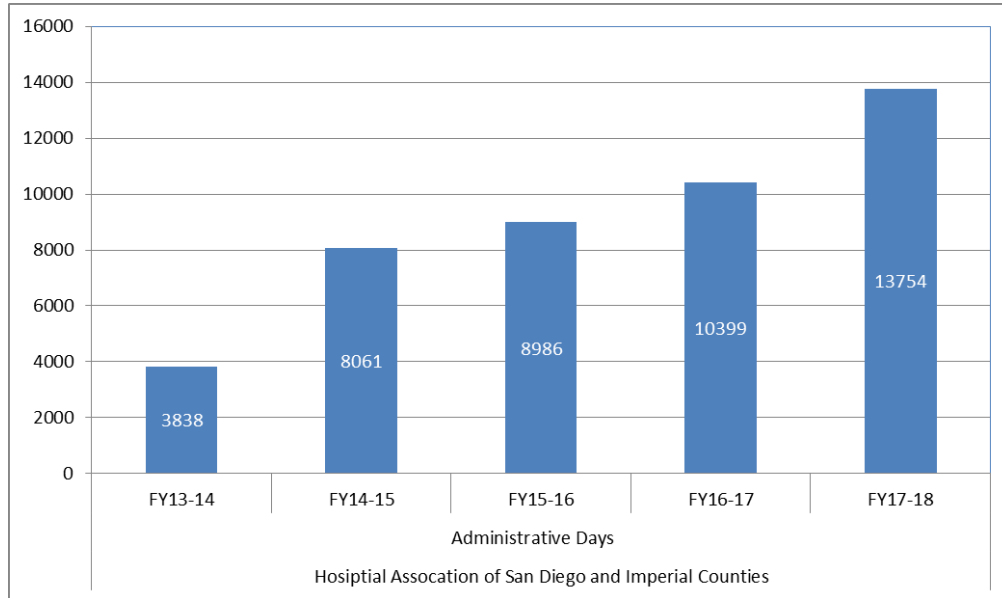
⁸ Hospital Association of San Diego & Imperial Counties: Economic & Key Issues Report 2017

Additionally, the Sheriff’s jails are the County’s largest mental health services providers: on an average day, about 30 percent of local jail inmates are treated for mental illness and many also struggle with substance use.⁹

Another outcome of this decline in services is the corresponding and alarming increase in the use of “Administrative Days” in San Diego County. Administrative days are defined as inpatient stay days for recipients who no longer require acute hospital care and are awaiting placement in a nursing home or other subacute or post-acute care facility also known as “step-down facilities.”¹⁰

The acute care hospital receives a lesser reimbursement rate for administrative days vs regular inpatient days. This reimbursement rate is lower, despite the fact that the hospital continues to provide the patient with the same care, creating a financial burden for the facility. When hospital staff is unable to discharge a patient due to the lack of other appropriate step-down facilities, the County Behavioral Health Plan may deny the daily rate or reduce the rate to an administrative day rate.

HASDIC¹¹ reports that over the past five years the number of Administrative Days has increased by **258%**, from 3,838 in FY 2013-14 to 13,754 in FY 2017-18. In a typical week in San Diego County, adult patients spend a combined total of more than 250 days in psychiatric inpatient beds, receiving the highest level of acute care, **after** BHS determined that the patients require a less restrictive type of treatment to address their behavioral health condition.



⁹ 2016-2017 San Diego County Annual Report

¹⁰ Ca.gov, California Department of Healthcare Services “Administrative Day Rate Level 1”

¹¹ Hospital Association of San Diego & Imperial Counties

The Tri-City announcement then became part of the impetus for a special meeting of the Board of Supervisors. The Board Meeting on October 30, 2018 brought together 15 agencies with 22 speakers to *“present a comprehensive assessment of the state of inpatient psychiatric care in San Diego County, and provide recommendations for addressing this crisis from both an immediate and long-term approach.”*¹²

The speakers seemed unanimous in their support of the needed mental health services and, as one commented, the County cannot lose psych beds, in fact “we need more.”

In an effort to have agencies working together throughout the County, the Board meeting established a countywide collaboration, “Caring for People in Psychiatric Crisis in San Diego County.” Additionally, a consultant was requested to facilitate follow up actions of the collaboration; as of March 13, 2019 the Public Consulting Group was selected to provide this service.

Since the Board meeting of October 30, 2018, a number of positive actions have come to light:

- Crestwood Behavioral Health: after opening 16 new beds, on September 25, 2018, Hummingbird Healing House now has a total of 109 beds.
- Alvarado Hospital Medical Center, at its La Mesa facility, recently added a 30 bed behavioral health unit, set up to serve patients aged 65 and older.
- San Diego County Psychiatric Hospital’s (SDCPH) expansion of 22 additional beds in the “B” wing is scheduled to be completed in early 2019.
- BHS is negotiating with Exodus Recovery in Vista to provide 24/7 crisis stabilization services, including for individuals covered under California Welfare and Institutional Code, Section 5150 (involuntary psychiatric emergency transport to emergency rooms).
- Scripps Health will partner with a Tennessee-based company to replace its 36 bed psychiatric unit in Hillcrest with a stand-alone, 120 bed behavioral health hospital in Chula Vista by 2023.

Numerous recommendations have been made in an effort to accomplish the collaboration’s goals, such as better coordination of services, increased Psychiatric Emergency Response Team (PERT) hours and the need for a new model. The Grand Jury investigation, however, viewed workforce shortages and the need for additional step-down facilities just as critical.

WORKFORCE SHORTAGES: Throughout the Grand Jury investigation into mental health services in San Diego County, the need for additional staff was a common complaint. The Grand Jury found that the need was across all levels of staff. Refusals to accept County salary limits, ongoing staff turnover and staff frustration with the lack of available services all have an effect on workforce shortages.

¹² San Diego County Board of Supervisors, 10/30/2018: Agenda Item 03

HASDIC has provided an overview of the challenges faced in providing appropriate care for behavioral health patients:¹³

- There is a local and statewide shortage of psychiatrists, with an even smaller number who are willing to accept Medi-Cal patients.
- Among the limited pool of active psychiatrists, there is a strong preference for working in outpatient settings, with self-pay patients.
- Health systems use temporary staff, providers or services when they are unable to fill positions.
- The recruitment of qualified behavioral health care providers is particularly challenging.

The above listed challenges can be addressed within the county or within a facility. However, there is a federal mandate that affects all psychiatric facilities: The Medicaid IMD Exclusion.

THE MEDICAID IMD EXCLUSION: The Medicaid Institutions for Mental Diseases (IMD) exclusion prohibits the use of federal Medicaid (Medi-Cal in California) financing for care provided to most patients in mental health and substance use disorder residential treatment facilities larger than 16 beds. The IMD exclusion was intended to ensure that states, rather than the federal government, would have principal responsibility for funding inpatient psychiatric services.¹⁴

This deficient reimbursement has resulted in a shortage of psychiatrists who accept Medi-Cal in San Diego County. This often results in psychiatrists being added to staff through contracted recruiters, at a premium cost. Therefore, the business of hiring staff is dependent upon contractor availability rather than candidate/employee availability. In addition, support specialists at SDCPH receive training at that facility and then leave for higher paying positions, which results in an ongoing new staff. The bottom line is that workforce shortages create severe deficiencies across the behavioral health continuum of care, limiting access to critical services.

There is a potential solution in the works. HHS and University of California, San Diego (UCSD) are pursuing a “Contract Management” agreement that would transition all or part of the management, oversight and licensing of the 109-bed San Diego County Psychiatric Hospital (also referred to as CMH to UCSD). This would free up an estimated \$45 million; unlike the County, private providers like UCSD can bill Medi-Cal and private insurance companies for the services provided in the hospital, significantly reducing the amount of money the County must spend.¹⁵ The County sees this new relationship with UCSD as just the first step in a broad approach of contract management and collaboration with multiple health care providers across the region.

¹³ HASDIC conducted carefully documented interviews and focus groups with 67 individuals representing psychiatric inpatient providers (free-standing hospitals and health systems); Federally Qualified Health Centers (FQHCs); and an advocacy group for the mentally ill.

¹⁴ Legal Action Center: The Medicaid IMD Exclusion: An Overview and Opportunities for Reform

¹⁵ San Diego Union Tribune (December 12, 2018) “County clears way for UCSD Hillcrest.”

STEP- DOWN FACILITIES AND SERVICE: An intermediate or step-down facility is defined as a facility which is organized, operated, and maintained to provide for the monitoring and care of patients with moderate or potentially severe physiologic instability requiring technical support but not necessarily artificial life support. A step-down facility can be used after hospitalization for a patient who is not strong enough to return home. These facilities are also called subacute or transitional units, and are usually located in a hospital or nursing home. They also typically have a greater patient-to-nurse ratio.¹⁶

In 2016, the County of San Diego¹⁷ had contracts with 16 facilities designed to be “step-down” programs for those discharged from psychiatric in-patient facilities:

- Casa Pacifica in Oceanside
- Changing Options in Ramona
- 12 Augmented Services programs
- Two Anne Sippi Clinics (Bakersfield and Oceanside)

The County also has plans for future use of space within SDCPH.¹⁸

As previously stated, CHA recommends that counties have a ratio of 50 psychiatric beds per 100,000 in population. To achieve that ratio in San Diego County, a total of 1,669 beds would be required. If a BHS targeted ratio is combined with the ongoing percent of increase in administrative days¹⁹, a picture is painted that additional step-down facilities are crucial to the mental health needs of our County.

RECOGNITION

- (1) The Grand Jury recognizes Crestwood Behavioral Health, Alvarado Hospital Medical Center and Scripps Health as organizations that have recently addressed the need for increased psychiatric services in San Diego County.

As the Grand Jury continued its investigation, it became apparent that County agencies and organizations have taken to heart the collaboration challenge that was presented by the Board of Supervisors on October 30, 2018: “Caring for People in Psychiatric Crisis in San Diego County.” The Grand Jury found that HHSA and BHS, over the past 90 days, have taken action to address various mental health needs, including increased step-down and long-term beds. The Grand Jury is issuing this report as written because the Jury agrees with the Board that these are just the beginning steps in addressing a long-lasting and continual problem.

¹⁶ PubMed.gov, US National Library of Medicine, National Institute of Health “The Role of Step Down Beds in Hospital Care.”

¹⁷ County of San Diego Response to 2015-16 Grand Jury Report “Long Term Psychiatric Beds” dated July 21, 2016

¹⁸ Id.

¹⁹ In FY 2015/16 there were 8,986 administrative days, in FY 2016/17 there were 10,399 and in FY 2017/18 there were 13,754 administrative days. Results from these figures show a 53% increase from FY 15/16 to FY 16/17, and an additional 32% increase from FY 16/17 to FY 17/18. If administrative days were to decrease, it should increase the available BHS funds that could be used for additional step-down services.

(2) The Grand Jury would like to commend HHSA and BHS for the following:²⁰

- The addition of 67 Institutions for Mental Disease (IMD) beds which has reduced the total number of clients waiting for IMD placement from 55 to 17.
- The number of clients in acute psychiatric hospitals awaiting sub-acute or post-acute placement has dropped from 40 to 17.
- A new contract for 40 Skilled Nursing Facility Special Treatment Program beds which is pending facility licensing and is anticipated for Spring 2019.
- A proposed transitional residential board and care facility with up to 16 beds is anticipated to be available, pending facility licensing and Medi-Cal Certification.

FINDINGS

Finding 01: San Diego County needs additional step-down beds.

Finding 02: San Diego County needs to reduce its Administrative Days to reduce costs associated with post-acute care patients.

Finding 03: If BHS invests in additional step-down facilities, it creates an opportunity to reduce Administrative Days.

Finding 04: There are facilities within San Diego County that purposely limit their psychiatric beds to 16 to comply with the Medi-Cal IMD Exclusion.

Finding 05: Public/private partnerships and Joint Power agreements with County psychiatric facilities could reduce the requirements of the Medi-Cal IMD Exclusion.

Finding 06: While maintaining minimal staffing requirements, workforce recruitment and retention within County administered health facilities are an ongoing challenge.

Finding 07: Workforce turnover may have a direct negative impact on the quality of care due to lack of continuity and broken staff/patient relationships that have been developed over time.

Finding 08: *Public Consulting Group* has been selected to provide quarterly reports on the follow-up actions of the Board's newly formed collaboration, "Caring for People in Psychiatric Crisis in San Diego County."

RECOMMENDATIONS

The 2018/2019 San Diego County Grand Jury recommends that the County of San Diego Chief Administrative Officer:

19-12: Evaluate steps that could be taken to reduce the number of administrative days.

²⁰ San Diego County Board of Supervisors, 03/26/2019: Agenda Item 05

19-13: Evaluate potential contract management and collaboration opportunities that could be used to increase the number of psych beds within the County.

19-14: Develop long-term best practices for addressing the behavioral health workforce shortage for recruiting, hiring, and retaining qualified clinical staff across the behavioral health continuum.

REQUIREMENTS AND INSTRUCTIONS

The California Penal Code §933(c) requires any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the agency. Such comment shall be made *no later than 90 days* after the Grand Jury publishes its report (filed with the Clerk of the Court); except that in the case of a report containing findings and recommendations pertaining to a department or agency headed by an elected County official (e.g. District Attorney, Sheriff, etc.), such comment shall be made *within 60 days* to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code §933.05(a), (b), (c), details, as follows, the manner in which such comment(s) are to be made:

- (a) As to each grand jury finding, the responding person or entity shall indicate one of the following:
 - (1) The respondent agrees with the finding
 - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.
- (b) As to each grand jury recommendation, the responding person or entity shall report one of the following actions:
 - (1) The recommendation has been implemented, with a summary regarding the implemented action.
 - (2) The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
 - (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the grand jury report.
 - (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor.
- (c) If a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if

requested by the grand jury, but the response of the Board of Supervisors shall address only those budgetary or personnel matters over which it has some decision making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

Comments to the Presiding Judge of the Superior Court in compliance with the Penal Code §933.05 are required from the:

<u>Responding Agency</u>	<u>Recommendations</u>	<u>Date</u>
County of San Diego Chief Administrative Officer	19-12 through 19-14	August 12, 2019

WORKS CITED

California Hospital Association – California Psychiatric Bed Annual Report (August 2018)

Hospital Association of San Diego & Imperial Counties (HASD&IC) – Behavioral Health Analysis Summary Report (Revised November 2018)

Board of Supervisors #17 Department of General Services – Quitclaim Deed – University of California, San Diego Medical Center (December 11, 2018)

Board of Supervisors #25 Advancing the Behavioral Health Continuum of Care through Regional Collaboration and Innovation (December 11, 2018)

Board of Supervisors #3 Board Conference: Caring for People in Psychiatric Crisis in San Diego County (October 30, 2018)

The San Diego Union-Tribune newspaper (SDUTE) – Patient Increase Strains Palomar, by Paul Sisson (October 9, 2018)

SDUTE - Local mental health network could see big changes in 2019, by Paul Sisson (January 7, 2019)

SDUTE – County’s mental health funding piling up, by Jeff McDonald (October 14, 2018)

Legal Action Center – The Medical IMD Exclusion: An Overview and Opportunities for Reform

HASD&IC – HASD&IC Report: Response to our Behavioral Health Analysis Summary Report (November 5, 2018)

Crestwood Behavioral Health Facebook – Crestwood San Diego’s MHRC Expansion (November 9, 2018)

SDUTE – New mental unit bucks trend, by Michael Smolens (November 23, 2018)

SDUTE – Psychiatric Hospital to be in Chula Vista, by Paul Sisson (January 13, 2019)

SDUTE – Group touts better psych collaboration, by Paul Sisson (October 31, 2018)

SDUTE – County review demands better collaboration for treating mentally ill, by Paul Sisson (October 31, 2018)

SDUTE – County clears way for UCSD Hillcrest, by Paul Sisson (December 12, 2018)

SDUTE – Tri-City psych stops new admits, by Paul Sisson (September 24, 2018)

SDUTE – County seeks fix before psych unit closes, by Paul Sisson (September 15, 2018)

KPBS – Why losing 30 Psychiatric Beds in Oceanside means a crisis for San Diego County (July 25, 2018)

SDUTE – Tri-City Board delays psych ward closure until Oct. 2 but rebuffs pleas for longer stay, by Paul Sisson (August 22, 2018)

SDUTE - Tri-City Board delays psych ward closure, by Paul Sisson (September 10, 2018)

GLOSSARY

BHS – Behavioral Health Services

Board – Board of Supervisors

CHA – California Hospital Association

County – San Diego County

Grand Jury – San Diego County Grand Jury

HASDIC – Hospital Association of San Diego and Imperial Counties

HHSA – Health and Human Services Agency

IMD – The Medicaid Institutions for Mental Disease

PERT – Psychiatric Emergency Response Team

SDCPH – San Diego County Psychiatric Hospital

UCSD – University of California, San Diego

SEARCH TERMS

Tri-City Medical Center: www.tricitymed.org

San Diego Behavioral Health Services: <https://www.sandiegocounty.gov/hhsa/programs/bhs/>

HHSA: <https://www.sandiegocounty.gov/hhsa>

HASDIC: www.hasdic.org

SDCPH:

https://www.sandiegocounty.gov/content/sdc/hhsa/facilities/north_central/psychiatric_hospital_san_diego_county.html

Board: <https://www.sandiegocounty.gov/general/bos.htm>