

**REPORT TO THE TWENTY-FOURTH LEGISLATURE
STATE OF HAWAII
2006**

**PURSUANT TO SENATE CONCURRENT RESOLUTION 93, SENATE DRAFT 2,
REQUESTING THE DEPARTMENT OF HEALTH AND HAWAII HEALTH
SYSTEMS CORPORATION SUBMIT A REPORT OF STAKEHOLDER GROUP
ACTIVITIES TO IMPLEMENT A CRISIS STABILIZATION SERVICES AT THE
MAUI MEMORIAL MEDICAL CENTER**

PREPARED BY:

**DEPARTMENT OF HEALTH
AND
HAWAII HEALTH SYSTEMS CORPORATION
STATE OF HAWAII
JANUARY 2006**

REPORT TO THE LEGISLATURE

IN COMPLIANCE WITH SENATE CONCURRENT RESOLUTION 93, SD 2

INTRODUCTION

The Hawaii State Legislature requested the concurrent resolution during its 2005 Regular Session. It requested that the Department of Health (DOH) and Hawaii Health Systems Corporation (HHSC) "facilitate a stakeholder group to develop and implement crisis stabilization services at the Maui Memorial Medical Center." It further requested the development process for these crisis stabilization services include the following elements:

- "1) That a stakeholder group assist Maui Memorial Medical Center (MMMC) in ensuring that the crisis stabilization services are reimbursable services from third party payors;
- 2) That the HHSC develop a timeline for initiating crisis stabilization services for children;
- 3) That the stakeholder group address the possibility of implementing tele-psychiatry services to assist the MMC in ensuring adequate child psychiatry services;
- 4) That the stakeholder group explores a partnership with Tripler Army Medical Center's (TAMC) Psychiatry Department; and
- 5) That the stakeholder group explores collaborative arrangements between psychologists, pediatricians, primary care providers, and psychiatrists to ensure that coverage is available twenty-four hours a day, seven days a week."

The SCR 93, SD 2, further requested that the DOH and the HHSC submit a report of the stakeholder group's activities to include any findings and recommendations. This report is requested to be provided to the Legislature not less than twenty days before the convening of the Regular Session of 2006.

REPORT

As requested, the DOH and the HHSC have convened stakeholder group meetings to discuss crisis stabilization services in Maui and the various alternatives to be explored.

Several meetings were held prior to the closure of the 2005 legislative session to discuss the challenges that the MMMC was having in sustaining adolescent behavioral health acute units. These meetings involved representatives from DOH Director's Office, DOH Child & Adolescent Mental Health Division, HHSC Administration, HHSC MMMC, HHSC Kona Community Hospital, HHSC Hilo Medical Center, HHSC Samuel Mahelona Memorial Hospital, Queens Medical Center Executive Officers, University of

Hawaii John A. Burns School of Medicine, Department of Psychiatry Chairperson, HMSA Medical Officer, and Behavioral Healthcare Connections Medical Director.

The group discussed the challenges that neighbor island community hospitals faced in sustaining adolescent acute care behavioral health services due to a shortage of child psychiatrists, variability and volatility in the number of acute hospitalization beds needed, and the overall low utilization projected across the year. It was also acknowledged that the majority of the adolescents requiring this service were privately insured youth covered by HMSA or Kaiser.

The MMMC reported that it had closed its Adolescent Behavioral Unit in June of 2004 due to the lack of Adolescent Psychiatrists on staff. Kona Community Hospital, Hilo Medical Center and Samuel Mahelona Memorial Hospital reported that they did not have an Adolescent Unit. According to the representatives from these hospitals, they manage their communities' adolescent acute behavioral health needs by "holding" patients in the Emergency Department until transport and beds were available at other hospitals. The group acknowledged that air ambulance services for behavioral health services were low on the priority list so transport was often times delayed for several days. Queen's Medical Center reported that they periodically had a high census in their adolescent acute unit and were, at times, unable to accommodate neighbor island emergency patients in a timely manner

At the meetings, several alternatives were discussed for managing neighbor island adolescents that require emergency evaluations for acute hospitalization. The concept of "Crisis Stabilization Services" was discussed for the MMMC, Hilo Medical Center and Kona Community Hospital and Samuel Mahelona Memorial Hospital. In general, under this model, the three neighbor island HHSC hospitals, less MMMC, would stabilize adolescents experiencing a behavioral crisis with the help of telepsychiatry, potentially from Queens Medical Center and UH JABSOM, and then arrange transport to an acute care unit. This crisis stabilization service would alleviate the need for air ambulance transport and would allow the HHSC to receive telepsychiatry support while stabilizing the adolescent. The problem is very rare at both Kona Community Hospital and Samuel Mahelona Memorial Hospital, but Hilo Medical Center does have the problem occur with some frequency. There is currently no space at Hilo Medical Center for crisis intervention holding now, but two rooms will be added in the new ER construction to accommodate this need.

Alternately, the MMMC indicated that it was interested in recruiting an Adolescent Psychiatrist and working to re-open the unit. The MMMC proposed that the acute unit, once fully functional, would be able to provide relief to the statewide shortage of beds and assist with Hilo and Kona needs.

In addition, the concept of Queen's Medical Center establishing a "Center of Excellence" to assist the neighbor island communities was discussed.

After the legislative session ended, discussions continued and the MMMC evaluated the various options and factors. The MMMC came to a managerial decision that they wanted to reopen the MMMC Adolescent Acute Unit. The MMMC reported that their financial analysis (see Attachment 1) supported that they would be able sustain the acute unit. Therefore, the MMMC began focus on recruiting adolescent psychiatrists to work on this unit. The MMMC has indicated that it is hopeful that they will be able to re-open the unit within the next 3-6 month period, by no later than June 2006.

Since the MMMC has decided to reopen the acute care adolescent unit, efforts have not progressed with third party payers to cover reimbursement for crisis stabilization services.

The CAMHD continues to work with MedQUEST Division (MQD) of Department of Human Services (DHS) to include community hospital crisis stabilization services in the Medicaid State Plan in order to address the need for these stabilization services in Hilo and Kona and Kauai communities.

The MMMC has decided it is not interested in pursuing telepsychiatry at this time. However, they have indicated an interest in providing the telepsychiatry services for Hilo and Kona and Kauai, should those hospitals decide that they would like to provide crisis stabilization services.

The HHSC President and CEO, contacted Chief of Staff, Tripler Army Medical Center (TAMC) to provide a copy of the Legislative Resolution and discuss possible partnership.

Although the leadership at the TAMC has much compassion for the situation that has been described both in the resolution and in other forums, the TAMC leadership indicates that it does not have any resources available at this time to contribute to a partnership with the State of Hawaii for the provision of care to adolescents. This is understandable since the TAMC beneficiary population is defined by law and the TAMC resources are overextended due to so many members of their command being deployed to foreign service.

The intent of this resolution was to request that the Department of Health and the Hawaii Health Systems Corporation engage in a discussion with stakeholders about providing Crisis Stabilization Services at the MMMC. Since the MMMC came to the decision to reopen the adolescent Acute Unit, rather than provide Crisis Stabilization Services, much of the elements of the resolution no longer applied.

**Annual Projections for Expenses and Revenues related to Reopening
Maui Memorial Medical Center Adolescent Behavioral Health Unit**

Cost:

Salaries and Fringes :	Total	\$	608,000
Other Related Cost	Total	\$	74,400
	Total Cost:	\$	895,200

Reimbursements:

Inpatient	Total	\$	341,513
Professional Fee Reimbursements for Medical Director 0.75 FTE Psychiatrist and APRN			
Outpatient	Total	\$	132,708
Professional Fee Reimbursements for Medical Director 0.75 FTE Psychiatrist			
Additional inpatient Facility Fee (Room and Board)	Total	\$	457,710
	Total Reimbursements	\$	931,931
	Annual Projected Revenue	\$	36,731

Assumptions

- Medical Director** Inpatient reimbursement is based on an eight (8) week study of billable and reimbursable charges of Locums and study of consults.
Inpatient reimbursement is based on 4.5 adult patients a day and 3.0 adolescent patients a day X 46 weeks (322 days)
Outpatient is based on Dr. McGuffey's existing billable outpatient hours, which is based on 15 hours weekly
- 0.75 FTE** Inpatient reimbursement is based on 4 patients a day, 4 days a week, x 50 weeks (350 days)
average bill rate is \$110 a day, plus 2 consults a week, x 46 weeks (322 days)
outpatient reimbursement is based on 6 hrs a week of outpatient practice x 46 wks (322 days)
- APRN** reimbursement is based on the estimate of reimbursements from Psychiatrist and the confirmation that reimbursements are available from HMSA and Kaiser

Additional inpatient Facility-Fee(Room and Board)

Utilizes the average daily census of **Three** for the Adolescent unit
Utilizes 60% of the contractual allowance of the daily rate for three patients
to project the total revenue generated annually.

Issues to consider

- 1) That we are able to recruit these positions in a timely fashion.
- 2) That these employees will not have any extended sick leave,FMLA etc.
- 3) Projections are based 50.7 inpatient days a week and 17.75 outpatient hours a week

**Maui Memorial Medical Center (MMC): 0.75 Psychiatrist Cost, Reimbursement
and Additional Room and Board (R&B) Revenue**

Cost:

Salaries and Fringes:

	Salary	Fringe @35%	Total
0.75 FTE Psychiatrist	\$ 135,000	\$ 47,250	\$ 182,250

Reimbursements:

.75 FTE Psychiatrist	Inpatient Reimbursment	\$98,120**
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Assumptions

0.75 FTE
Inpatient reimbursement is based on 4 patients a day, 4 days a week, x 50 weeks. The average bill rate is \$110 a day, plus 2 consults a week x 46 weeks.

Additional R&B Revenue

FY 05 YTD average daily Census is 10 patients
By adding an additional 0.75 psychiatrist, the MMC projects to add an additional three (3) patient days to current ADC. The increased annual revenue generated by adding these additional patient days **\$457,710**, allowing for 60% contract allowance.