State of Alaska
FY2003 Governor's Operating Budget

Department of Health and Social Services
Institutions and Administration
Budget Request Unit Budget Summary

Institutions and Administration Budget Request Unit

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BRU Mission

The mission of the Division is to plan with and provide appropriate prevention, treatment and support for families impacted by mental disorders or developmental disabilities, while maximizing self-determination.

BRU Services Provided

This BRU has two components: Mental Health and Developmental Disabilities (MHDD) Administration and the Alaska Psychiatric Institute (API).

MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES ADMINISTRATION:
This component provides centralized support services for the Alaska Psychiatric Institute and two grant programs - Community Mental Health Grants and Community Developmental Disabilities Grants. Support services include administration and fiscal management, service system planning and development, maintenance of the automated information system, and oversight of the $54.3 million grant programs. Direct services include quality assurance, licensing, investigation, technical assistance, case management, and consultation. The Division works closely with the Alaska Mental Health Board, the Governor's Council on Disabilities and Special Education, and the Alaska Mental Health Trust Authority to determine overall policy aspects of planning and implementing a comprehensive system of services for people who experience mental illness or developmental disabilities.

THE ALASKA PSYCHIATRIC INSTITUTE: Located in Anchorage, the Alaska Psychiatric Institute (API) is the major state facility providing inpatient psychiatric care to the people of Alaska. It is a seven days a week, twenty-four hour treatment facility. Clients are admitted either voluntarily or involuntarily through a Police Officer Application or Ex Parte Commitment. API provides diagnosis, evaluation and treatment services in accordance with its statutory mandates and the strict health care industry standards and requirements set by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), Health Care Financing Administration (HCFA), and Alaska's Certification and Licensing section. API provides outreach, consultation, and training to mental health service providers, community mental health centers, and Pioneer Homes. In addition, API serves as a backup to the community mental health centers, coordinating transitions from outpatient care to hospitalization and, coordinating care with CMHCs for patients being released from API.

BRU Goals and Strategies

1) IMPLEMENT STATE LAWS PROTECTING AND ENHANCING THE MENTAL HEALTH OF ALASKANS.
- Promote increased awareness and acceptance of people with special needs and work toward decreasing the incidence and impact of mental disorders and developmental disabilities.
- Through direct service and oversight of other service agencies in the state, meet the needs of people with mental disorders or developmental disabilities and their families, consistent with requirements of the Mental Health Trust Settlement.
- Maximize use of federal resources available to assist in meeting the mental health needs of Alaskans.

2) ENSURE ABILITY TO HIRE AND RETAIN COMPETENT, QUALIFIED STAFF AT API BY WORKING TO MAINTAIN THE SALARIES OF API POSITIONS COMPETITIVE WITH PRIVATE SECTOR HEALTHCARE SALARIES (E.G., R.N. AND PHYSICIAN ASSISTANT SALARIES).

3) CONTINUE TO IMPROVE PATIENT CARE.
- Utilizing established multi-disciplinary teams, continue API's focus on its hospital-wide quality improvement program. API's teams are organized around the Joint Commission on Accreditation of Healthcare Organizations' (JCAHO's) functional standards.
- Continue to train all API clinical staff in the role recovery approach to patient care and treatment.
- Continue to improve API's therapeutic environment by improving the environment of each patient unit and patient care areas more generally.

4) REPLACE THE CURRENT 74 BED API FACILITY WITH A NEW FACILITY AND FULLY IMPLEMENT THE COMMUNITY SERVICES PLAN DESIGNED TO SUPPLEMENT API'S HOSPITAL-BASED SERVICES.

Key BRU Issues for FY2002 – 2003

Key issues for the Division as a whole include:

- Health and safety: Consumer health and safety issues continue to be at the forefront of the Division's concerns. This coming session we will continue to seek revision of the current statutes and regulations governing Assisted Living Homes.

- Staff recruitment and retention: At both the State and provider levels, difficulty in recruiting and retaining quality staff is of critical concern. Despite a recent two-range salary increase across the board for all State nursing positions, the State continues to be noncompetitive with the local private-sector wages and API's nurses frequently stay no more than a year. In response to Workplace Alaska recruitments, the Division increasingly received a very small pool of only partially qualified candidates, regardless of the job class.

- Data: The Division faces a continued need for management information system (MIS) development to meet increasingly complex data reporting requirements. During FY02 the Division is pursuing short-term means for obtaining and reporting on mental health data while laying the groundwork for a longer-term solution.

- Staff funding: The Division again seeks base budget funding for two critical staff, the Statewide Children's Mental Health Services Coordinator and the Mental Health Consumer Affairs position.

Key Issues for the Alaska Psychiatric Institute include:

- Retain API's fully JCAHO accredited status.
- Monitor progress on the design and construction of the replacement hospital.
- In the face of both significant cost increases within the healthcare industry and a doubling in admissions since
- FY95, work to be able to continue to provide quality inpatient services within the limitations of current budget and staffing levels.
- Coordinate closely with the Community Mental Health Project in implementation of the new and enhanced
- community-based mental health services for the community of Anchorage to assist in attempting to reduce the bed demand at API.
- Maintain the present aging facility at an operational and safe level to meet its mission of providing quality inpatient
- psychiatric care.

Major BRU Accomplishments in 2001

Administration component staff provided oversight for the Division's $54.3 million dollar community grant programs serving an estimated 2,460 developmentally disabled consumers and 20,000 consumers with mental health issues, through approximately 100 non-profit grantee agencies.

At API:

- Achieved a score of 98 out of a possible 100 points following the JCAHO Hospital Survey in December of 2000.
- Succeeded in acquiring the land and funding necessary to replace API with a new hospital.
- Eliminated the use of expensive locum tenens (temporary) contract psychiatrists by filling all physician positions
- with full-time employees.
- Obtained substantive salary increases for both R.N. and Psychiatric Nursing Assistant positions at API.
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Key Performance Measures for FY2003

Measure:
The percentage of programs designated by the department that are reviewed for consumer satisfaction.
Sec 83(b)(4) Ch 90 SLA 2001(HB 250)

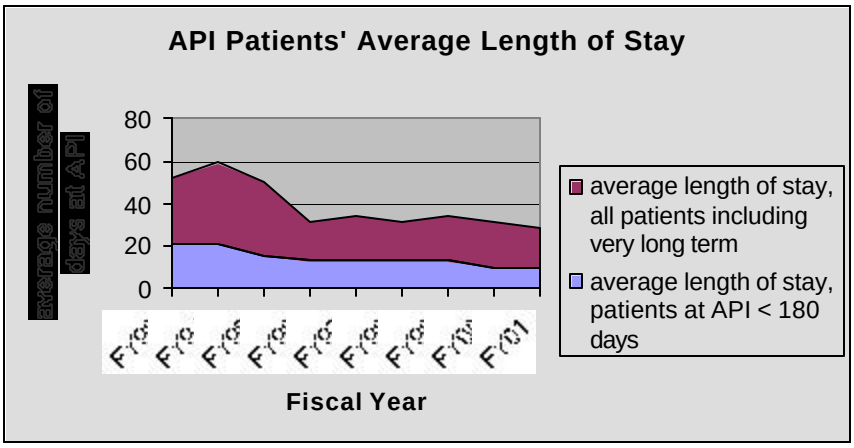
Alaska's Target & Progress:
The Division's target is to achieve and maintain at least a 50% annual review rate for agencies receiving grants through the division for direct client care.

In FY01, 41% of mental health service programs and 46% of developmental disabilities service programs were reviewed for consumer satisfaction. This contrasts with the FY99 data during which 49% of mental health programs and 34% of developmental disabilities programs were reviewed.

Background and Strategies:
The target of reviewing 50% of the designated programs for in FY01 was not met due to the manner programs are identified for review each year. Integrated QA reviews occur in a two-year cycle. For the FY01 and 02 cycle there were a total of 44 programs selected for review. Twenty of these were selected for FY01 while 24 programs were selected for review in FY02. During FY01 one program was closed prior to the review being conducted and another was not reviewed due to their location (Aleutians) in relation to the cost associated with conducting an on-site review. This left 18 programs that were successfully reviewed. The most obvious choices for improvement are to 1) reduce the goal from 50% to a lower, more achievable goal or 2) calculate the number of programs in a manner that excludes those that weren't reviewed if a review was impossible or impractical.

Measure:
The average length of stay at the Alaska Psychiatric Institute.
Sec 83(b)(5) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:
Significant data has been compiled on API over the past few years as a part of the evaluation of the federally-funded Community Mental Health/API Replacement Project. As a result, it has become clear that community mental health providers would prefer that API be able to retain patients experiencing chronic mental illnesses for longer periods of time, so that the patients were more adequately or fully stabilized prior to their discharge back to their community and the community mental health center (CMHC) program with which they are associated. These providers would clearly prefer an average length of stay (ALOS) of more than 10 days.



API's ALOS for FY01 was 10 days for persons at API with stays of 180 days of less. When you include all persons being treated at API, (including those with stays in excess of 180 days) the ALOS rises to 19 days. Since the number of persons at API with stays over 180 days totaled just 34, so it is clear that an ALOS of 10 days applies to the vast majority of the 1,544 patients admitted to API in FY01.

In FY01, API length of stay (LOS) data shows the following:

29% of all persons admitted were discharged from API within 1 day.
21% were discharged within two or three days
22% were discharged within four to 12 days
18% were discharged within 13 to 30 days
7% were discharged within 31 to 60 days
3% were discharged after 60 days.

Thus, 50% of all persons admitted to API were discharged within 3 days, many of whom were first-time admits with substance abuse as well as acute psychiatric concerns at the time of admission.

Another 22% were discharged within 12 days. Hospitalizations of under two weeks are viewed as inadequate for some patients with chronic mental illnesses. From a CMHC's perspective, shorts stays not only fail to provide sufficient treatment time but also do not allow for adequate discharge planning between API, the patient, and the community provider. The provider thinks, in such instances, that the patient is discharged before the local provider has been able to reinstate or find other services to meet the needs of their client. For example, if a patient decompensated, trashed their apartment, and then ended up at API involuntarily, it may not be possible for the provider to find other housing for the client before their discharge within 10 days, thereby requiring the client to find temporary housing at a local shelter or other short-term housing situation which and probably is not the best therapeutic result for the client.

While the State has not yet identified a specific target ALOS, given the comments of community mental health providers, it is clear that a goal of more than 10 days may be appropriate.

It is important to note, however, that it has been the long-term goal of the API Replacement Project that community hospitals develop local capacity to handle resident mental health emergencies so that, over time, API would no longer be required to perform as a psychiatric emergency room. If this were to occur, API would have the bed capacity and staff time to accept secondary and tertiary care patients whose lengths of stay would greatly exceed today's ALOS of 10 days.

Indeed, it was the goal that API accept patients from local hospitals where the patient's mental health treatment needs exceed a projected 14 to 30 days, or to accept any patient where the patient's illness was such that it exceeded local treatment capacity. This remains the long-term goal of the API Replacement Project.

At this time local capacity for hospitalization of persons experiencing a mental health crisis is increasing in certain parts of the State, specifically in Juneau and Fairbanks. Without similar local capacity in private, community hospitals in Anchorage (the major source of API admissions - 72% in FY01), we believe API's length of stay will continue near what it was in FY01.

The opening of Providence Hospital's Single Point of Entry (SPE) in April or May of 2002, as a part of its emergency department and in cooperation with DMHDD's community mental health program, may have some impact on the ability of API to have more appropriate time in which to both treat patients and assist CMHC's in better discharge planning. The SPE will accept patients within the Anchorage bowl experiencing a mental health emergency. It will be able to rapidly assess and refer patients to appropriate services within a 24-hour period. It cannot hold patients for more than 24 hours, however so quick disposition to a variety of local services is an important aspect of the plan.

The increase in local capacity outside of Anchorage and the development of the SPE in Anchorage at Providence Hospital will contribute to API's movement towards its goal of becoming a more tertiary care facility.

Benchmark Comparisons:
Good data on lengths of stay at other public psychiatric hospitals across the country does not exist. While a national database containing such data is presently under development through the auspices of the National Association of State Mental Health Program Director's Research Institute (NRI), NRI has not produced ALOS data for State psychiatric hospitals. The vast majority of public psychiatric hospitals in the nation are reporting a variety of performance measurement data to NRI, but lengths of stay is not yet one of the performance areas that the NRI is measuring. It may be possible over the next year to seek this information from NRI. Determinations as to data reports are controlled by the mental health commissioners/directors of the 50 states, so it does take some time to get agreement on new initiatives. We know the NRI databank already has the necessary data points to calculate individual hospital average lengths of stay, so it might not be too difficult to get such information in the near future.

Finally, API's very short ALOS is highly unusual for a state psychiatric hospital. The majority of public psychiatric hospitals do not accept emergency admissions, as API does. Most state hospitals only accept admissions during the day and during the normal business week. Generally, local private or county hospitals are responsible for and operate psychiatric emergency rooms as a part of their medical/surgical hospitals or have separate psychiatric facilities in larger cities/counties. State psychiatric hospitals generally only accept very difficult, highly complex patients who require substantive hospitalizations exceeding weeks, months, and in some cases, years.

Background and Strategies:

The Community Mental Health/API Replacement Project was specifically designed to meet the long-term goal of converting API to a secondary or tertiary care facility. The project is presently entering its third year. Its strategy is to create or enhance existing community mental health services in the Anchorage area, thereby reducing admission pressure at API. This approach over time should reduce the use of API for mental health crises. By reducing the number of emergency admissions, it will provide opportunities for more individualized patient care while creating the ability to work more closely with community mental health centers and their/our patients in a treatment program maximizing a recovery approach to treatment, both inpatient at API and outpatient in the patient's/client's community and with the community provider and API working together.

The CMH Project is funding 1) the Providence SPE, 2) additional and enhanced crisis respite/treatment beds through Southcentral Counseling Center's program, and 3) enhanced detox and dual-diagnosis substance abuse treatment beds through the Salvation Army's Clitheroe Center. Further, the project has funded intensive, 24-hour care and housing for some of API's formerly most difficult-to-place persons and has developed and implemented another intensive community-based mental health service through its Recovery by Choice program. All of these programs are designed to meet the goal of reducing admissions to API to assist API in reaching its goal of becoming a more tertiary care hospital.

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BRU Financial Summary by Component

All dollars in thousands

	FY2001 Actuals				FY2002 Authorized				FY2003 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures												
None.												
Non-Formula Expenditures												
Mental Health/DD Admin	2,711.9	1,046.8	2,357.9	6,116.6	2,710.4	1,612.4	2,342.7	6,665.5	3,067.0	2,224.5	2,696.3	7,987.8
Alaska Psychiatric Institute	4,451.4	0.0	12,691.0	17,142.4	6,501.9	0.0	10,916.7	17,418.6	8,625.4	0.0	10,255.0	18,880.4
Federal Mental Health Projects	0.0	1,217.8	0.0	1,217.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Totals	**7,163.3**	**2,264.6**	**15,048.9**	**24,476.8**	**9,212.3**	**1,612.4**	**13,259.4**	**24,084.1**	**11,692.4**	**2,224.5**	**12,951.3**	**26,868.2**

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Proposed Changes in Levels of Service for FY2003

- The Division will fully implement its new combined Safety & Quality Assurance unit, strengthening both the Assisted Living Homes licensing program and the quality assurance program.

- Through several available streams of federal revenue, the Division anticipates pursuing a collaborative Mental Health/Alcohol & Drug Abuse web-based information system, thereby increasing the amount of service data available and reducing reporting requirements for the numerous grantees who serve dually diagnosed consumers.

- The Developmental Disabilities program will engage in an intensive, long-term training effort for DD staff, provider agencies, families and advocates related to the significant DD system changes.

- The Alaska Psychiatric Institute strives to find creative solutions to nursing staff turnover and the resulting mandatory overtime for remaining staff. Management's goal is to reduce mandatory overtime to zero.

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Summary of BRU Budget Changes by Component

From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	General Funds	Federal Funds	Other Funds	Total Funds
FY2002 Authorized	**9,212.3**	**1,612.4**	**13,259.4**	**24,084.1**
Adjustments which will continue current level of service:				
-Mental Health/DD Admin	-3.9	512.1	103.6	611.8
-Alaska Psychiatric Institute	867.0	0.0	7.3	874.3
Proposed budget increases:				
-Mental Health/DD Admin	360.5	100.0	250.0	710.5
-Alaska Psychiatric Institute	1,256.5	0.0	-669.0	587.5
FY2003 Governor	**11,692.4**	**2,224.5**	**12,951.3**	**26,868.2**