

Minutes of Meeting
Health Services Council
Project Review Committee-I

DATE: 5 October 2010

TIME: 2:30 PM

LOCATION: Conference Room 401

ATTENDANCE:

Name	Present	Absent	Excused
Committee-I			
Victoria Almeida, Esq. (Chair)	X		
John X. Donahue	X		
John W. Flynn	X		
Wallace Gernt	X		
Theresa Jeremiah			X
Amy Lapierre	X		
Steven Lonardo	X		
Thomas M. Madden, Esq.			X
Robert Ricci	X		
Robert Whiteside		X	

Staff: Valentina Adamova, MBA, Michael K. Dexter, MPA, Joseph G. Miller, Esq.

Public: (Attached)

1. Call to Order, Approval of Minutes, Conflict of Interest Forms and Extension for the Minutes Availability

The meeting was called to order at 2:35 PM. The Chair noted that conflict of interest forms are available to any member who may have a conflict. Minutes of the 8 June 2010 and 22 June 2010 Project Review Committee-I meetings were adopted as submitted. Mr. Lonardo requested that the minutes of 14 September 2010 Project Review Committee-I meeting reflect that he offered a resource to the Committee to address the system and continuum of care in the form of Beacon Health Strategies, LLC. Minutes of 14 September 2010 Project Review Committee-I meeting were adopted as amended. A motion was made, seconded and passed by a vote of seven in favor with none opposed (7-0) that the availability of minutes for this meeting be extended beyond the time frame as provided for under the Open Meetings Act. Those members voting in favor were: Almeida, Donahue, Flynn, Gernt, Lapierre, Lonardo, Ricci.

The Chair commented that all inquiries from Committee members, applicants and the public should be sent to staff and not directly to the Chair.

2. General Order of Business

The first item on the agenda was the application of **Butler Hospital** for a Certificate of Need to construct a 2-story addition to house an updated patient assessment service and to accommodate an increase in licensed bed capacity by 26 beds. Staff reviewed the information submitted to the Committee.

Mr. Zimmerman presented an amended slide in the form of a memorandum from the PowerPoint that he had presented to the Committee on 14 September 2010. He noted, among other things, the following:

- This slide corrected a mistake that was in the previous slide.
- The amended slide noted that the national utilization rates for adult mental health services as measured by discharges and bed days was substantially less than for Rhode Island.
- The HCUP 2006 data shows that the Rhode Island use rate as measured by discharges is almost exactly as the Northeast rate.
- The data wasn't adequate to measure bed day utilization to compare Rhode Island to the Northeast.
- At the request of a member of the Council, he estimated the number of beds that would be required in Rhode Island if we were to follow the national utilization guidelines.
- That this calculation yielded a result that RI would need essentially 100 less adult mental health beds using the national utilization rates than it would need using the Rhode Island or Northeast data.
- That Rhode Island would need more outpatient and partial hospitalization resources, however, how much more he could not answer. He noted that the Northeast uses more inpatient bed days for medical illness than the West does.

Representatives from Beacon Health Strategies, LLC (Beacon) presented a PowerPoint on "Comprehensive Behavioral Health Services". Beacon noted that it works on behalf of Blue Cross Blue Shield of Rhode Island to appropriately coordinate and manage their members' behavioral healthcare needs and on behalf of Neighborhood Health Plan of Rhode Island (NHP). The objectives of the presentation were (1) Discuss Beacon and experience regarding the development of optimal behavioral health delivery systems; (2) Share data and experience related to the development of the alternative levels of community based care; and (3) Clearly outline an alternative strategy regarding future capacity needs. Beacon noted in its presentation, among other things, the following:

- Beacon provided data and statistics supporting the theory of Roemer's Law "A bed built is a bed filled."
- Beacon presented data from the Zimmerman report showing that Rhode Island rate of inpatient mental health discharges and days per 1,000 residents was 51 percent and 80 percent higher than the national rate, respectively.
- Beacon noted that NHP's data show that "For every person that cannot get into a hospital bed, there are ten that cannot get out due to a lack of a safe community placement.
- Beacon presented a model of continuum of alternative levels of care currently provided for children in Rhode Island.

- Beacon provided data showing substantial increases in utilization of “diversionary” services, substantial decreases in admission rates and that average lengths of stay declined slightly by NHP children before and after service expansions (2001-2004 and 2004-2007).
- Beacon provided data showing substantial reductions in expenditures (per utilizer per month) associated with the outpatient and diversionary service expansion.
- Beacon noted that it believed that if a similar model were applied to Rhode Island for the adult population, patients would recover and sustain their recovery longer in community based care and would be better care, however, it is not clear if it would be cheaper.
- Beacon noted that the data was up through 30 April 2008.

Beacon provided a summary that noted that (1) The systems of care built in Rhode Island have been demonstrated to be effective with children; (2) Evidence based care guidelines and principles of recovery emphasize community based care; (3) Community systems of care for adult populations are still incomplete in Rhode Island; and (4) Community based services do not de-legitimize the role of hospital levels of care, but they may impact the bed volume required.

Craig Stenning, Director of the Department of Behavioral Healthcare, Developmental Disabilities and Hospitals addressed the Committee and noted, among other things, the following:

- NHP had come to his agency asking for help to design a system for children that mirrored what currently existed for adults.
- Rhode Island has one of the most comprehensive adult community systems in the country beginning with emergency services through community act teams to outpatient treatment (including a community medications systems plan) to inpatient care.
- A diversion step down capacity was built in the past several years. It is not paid for by some of the private insurers.
- Medicaid pays for these adult services.
- The state, in some instances, pays for patients who have insurance. Private insurance needs to fund the adult system.
- It is a robust system for the uninsured and Medicaid population.
- The number of individuals served in the Rhode Island community mental health outpatient system has increased by 21 percent over the past five years.
- In one year alone, the demand for services increased by ten percent.
- The largest increases have been in 2009 and 2010, as it has across the country because of the recession and because of the increase in uninsured individuals.
- The data is run every month for what is being paid for by Medicaid and for the uninsured.

There was some discussion about differences in data on number of patients between what was reported in the Zimmerman report and what was presented by Mr. Stenning. Mr. Zimmerman noted that the data from the community mental health centers was incomplete.

- Mr. Stenning noted that the number of people served has gone up tremendously and has placed a huge demand on the mental health centers.

- From 2008 to 2009, there was a 7.8 percent increase in emergency department visits.
- His responsibility under the mental health law is to design a mental health system that services the entire state of Rhode Island.
- The numbers support an increase of 26 beds (six plus the 20 variance beds already in use) in addition to growing the community mental health system as the demand for services increases.
- The Northeast has always had a higher utilization and demand for mental health, substance abuse and developmentally disabled services.
- Miriam, Pawtucket Memorial, Westerly and South County hospital do not have inpatient psychiatric services. It takes a number of hours to transfer a patient from one of these hospitals to another hospital that has inpatient psychiatric services.
- From 2008 to 2010 admissions increased by nearly 400 and the majority were for utilization of step-down diversion beds.
- Over this two-year period 40 percent greater number of people were served because of the addition of diversion beds into the system. These were uninsured and Medicaid populations.
- Data from the SSTAR program show that over the same two-year time period there was a decrease in length of time to transfer into a psychiatric bed from an average of 1.6 days to 0.7 days.
- There are still some troublesome cases but they are usually due to a difficult to place patient who has psychiatric and developmental disabilities.
- Zimmerman's report projects a need for an additional eight or nine beds per year over the next five years.
- The day before a 12-bed unit had nine beds available.
- That day there were six beds available in that unit.
- Medical clearances may take up to several days.
- That day there was no one waiting for a bed.
- All testimony that day was limited to the adult system and the Medicaid and uninsured population.
- The Act Team is the best practice and most expensive outpatient program that is funded by BHDDA and it is provided to Medicaid and the uninsured populations. We are struggling to convince private insurers to pay for that service.

Beacon representatives noted, among other things, the following:

- The state retains the obligation for payment for the NHP and Medicaid population for these services and Beacon partners with this program.
- Blue Cross is looking at this data and for the substantial population covered by Blue Cross that these community based services should be introduced and Beacon is in active dialogue with certain providers and plans about doing that.
- Beacon would not disagree with Mr. Stenning about the historic gap in community-based intensive coverage for private payers in the state.
- There has been a strong shift in community-based care over the past few years for children and adults and they take notice and participate and the largest payer in the state agrees with that.

It was noted that the only cost impact statement that was received was from Blue Cross Blue Shield of Rhode Island. A member of the Committee noted the following: that the issue of need was addressed and explored thoroughly from all different angles; the Zimmerman report supported the need and there was nothing to contradict it; there are steps that can be taken in the future to decrease the need for inpatient utilization but the Zimmerman report projects a demand for additional beds so those may work together at the right time; at the present time there is this need and the applicant has satisfactorily answered all the questions adequately and there aren't any remaining questions to ask them. Mr. Lonardo, the Committee member representing Blue Cross and Blue Shield, noted that a lot of information was presented and thoughtfully considered and there is an opportunity to look at where the need is and invest in either additional beds or in alternative care and where it is appropriate to place the dollars for a critical population.

Another member stated that he would reiterate what Director Stenning testified and noted that there is a need for the additional beds and also to continue the work being done by BHDDH and that the providers and insurers need to develop the system. The members discussed the reasons for the need for both additional beds and alternatives to inpatient care by both the public and private sectors.

The Chair noted that the evidence presented during the last eight months in the review has been uncontroverted that there is a need for the additional beds proposed in the application. The Chair noted that there remains a need for community-based treatment for adults and that there is a fundamental difference in the inroads and successes made in child and adolescent treatment that have not made it yet to adult treatment. The Chair noted that there is a clear distinction between behavioral health services for children and young adults and others treated at Butler Hospital.

A motion was made, seconded and passed by a vote of five in favor and one opposed (5-1) to recommend that the application be approved subject to the conditions of approval. Those members voting in favor included: Almeida, Donahue, Flynn, Gernt, Ricci. Those members voting in opposition included: Lonardo.

It was noted that the next Health Services Council meeting is scheduled for 26 October 2010.

There being no further business, the meeting was adjourned at 4:40 PM.

Respectfully submitted,

Valentina D. Adamova, MBA
Acting Chief Program Development