

FISCAL SNAPSHOT

STATE PSYCHIATRIC HOSPITAL

Date: January 2023**Analyst:** Kevin Koorstra**Background**

The state currently has five state-operated psychiatric hospitals and centers for individuals with severe mental illness or intellectual and developmental disabilities: three for adults located in Caro, Kalamazoo, and Westland (Walter P. Reuther); one for children located in Northville (Hawthorn); and a center for criminal defendants ruled incompetent to stand trial or acquitted by reason of insanity located in Saline (Center for Forensic Psychiatry). Their current budgeted bed capacity is 798, but their current operational bed capacity is closer to 700.

Brief History

Expenditures for state mental health facilities had a downward trend from FY 2002-03 to FY 2011-12 due to facility closures during FY 2002-03, FY 2003-04, and FY 2008-09; transfer of responsibilities for forensic prisoner mental health services to the Department of Corrections in FY 2010-11; and reductions in the overall number of patients. While the number of patients has continued to slowly decline, expenditures have been increasing since FY 2012-13, primarily due to cost increases in wages, purchased medical services, and medical and janitorial supplies.

Recent Activity

The state is currently in the process of designing and constructing a new \$115.0 million 110-bed Caro Center to replace the aging facility at the same site, and a new \$325.0 million 260-bed Southeast Michigan psychiatric complex to replace Hawthorn Center and Walter P. Reuther, for a new total estimated operational bed capacity ranging from 750 to 770.

In addition to designing and constructing new state-operated psychiatric hospitals and centers, the FY 2022-23 DHHS budget appropriated [\\$223.1 million](#) to assist in increasing non-state behavioral health facility capacity.

