



MDHHS: FY23 Budget Executive Recommendation

State Hospital Administration

March 9, 2022

George Mellos, MD, Senior Deputy Director, State Hospital Administration

Farah A. Hanley, Senior Deputy Director, Financial Operations Administration

Michigan's Public State Hospitals

Caro Center

- CY 2021 average census: 102 patients
- Serves adult patients residing in the Upper Peninsula and northeast Lower Peninsula.

Kalamazoo Psychiatric Hospital

- CY 2021 average census: 155 patients
- Serves adult patients in western and the central Lower Peninsula.

Walter Reuther Psychiatric Hospital (Westland)

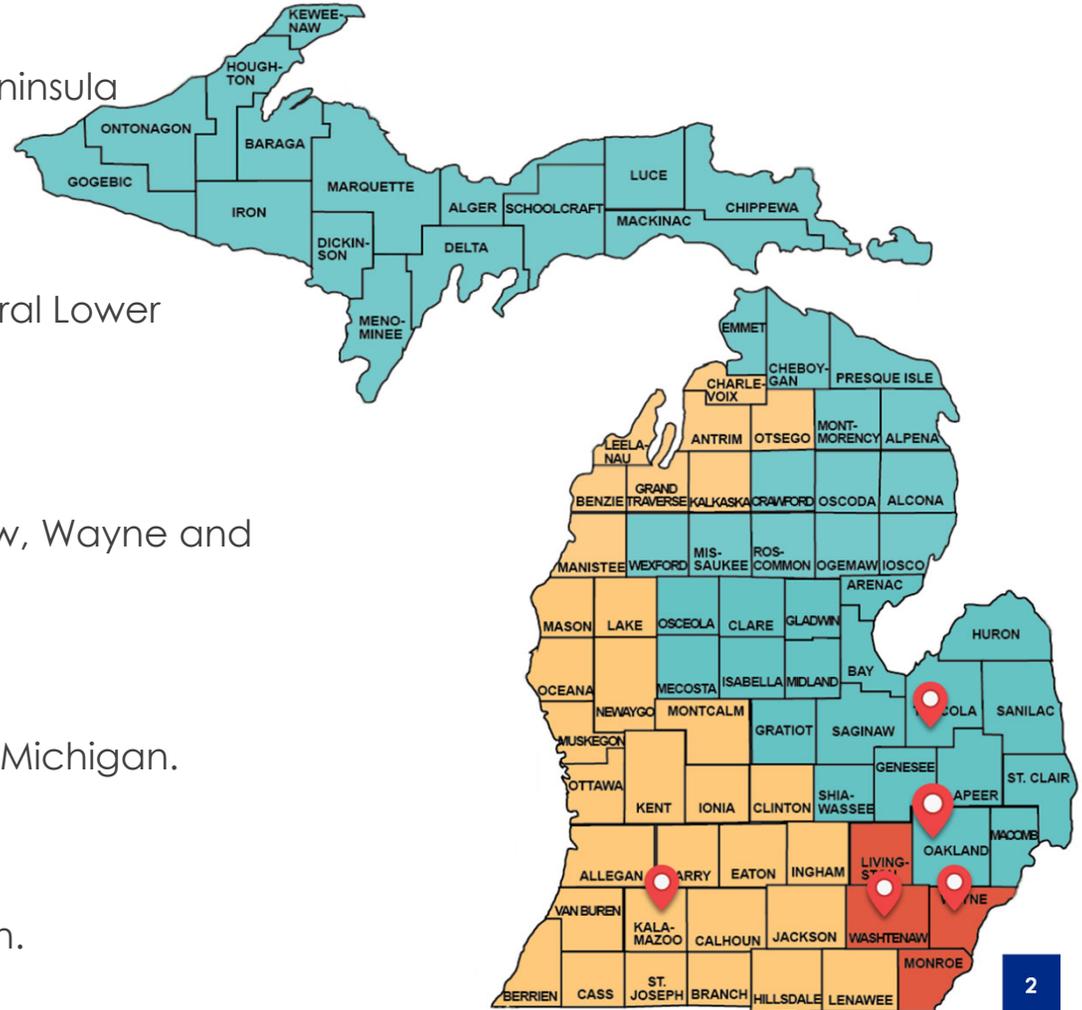
- CY 2021 average census: 168 patients
- Serves adult patients in Livingston, Washtenaw, Wayne and Monroe counties.

Hawthorn Center (Northville)

- CY 2021 average census: 49 patients
- Serves children & adolescent patients across Michigan.

Center for Forensic Psychiatry (Saline)

- CY 2021 average census: 224 patients
- Serves adult forensic patients across Michigan.





FY 2022

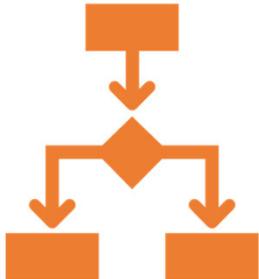
**State Hospital
Administration**
*Accomplishments,
Progress, and
Challenges*

FY 2022 Strategic Accomplishments



Development and implementation of a **community transition program** for adults consistent with Section 962 of Public Act 67 (2019)

Expansion of **higher educational opportunities** and relationships in state hospitals.



State Hospital Administration **Throughput Outcomes.**

FY 2022 Progress: Caro Center

- September 2020 - **site work commenced.**
- December 2021 - **building enclosure.**
- Project on pace for **spring 2023** opening.
- Patient capacity - **100 beds.**
- Approximately **114,000 square feet.**
- Physical plant encompassing **27 acres.**
- Construction/design team has been successful in **forecasting supply chain issues** and **remains on schedule and under budget.**

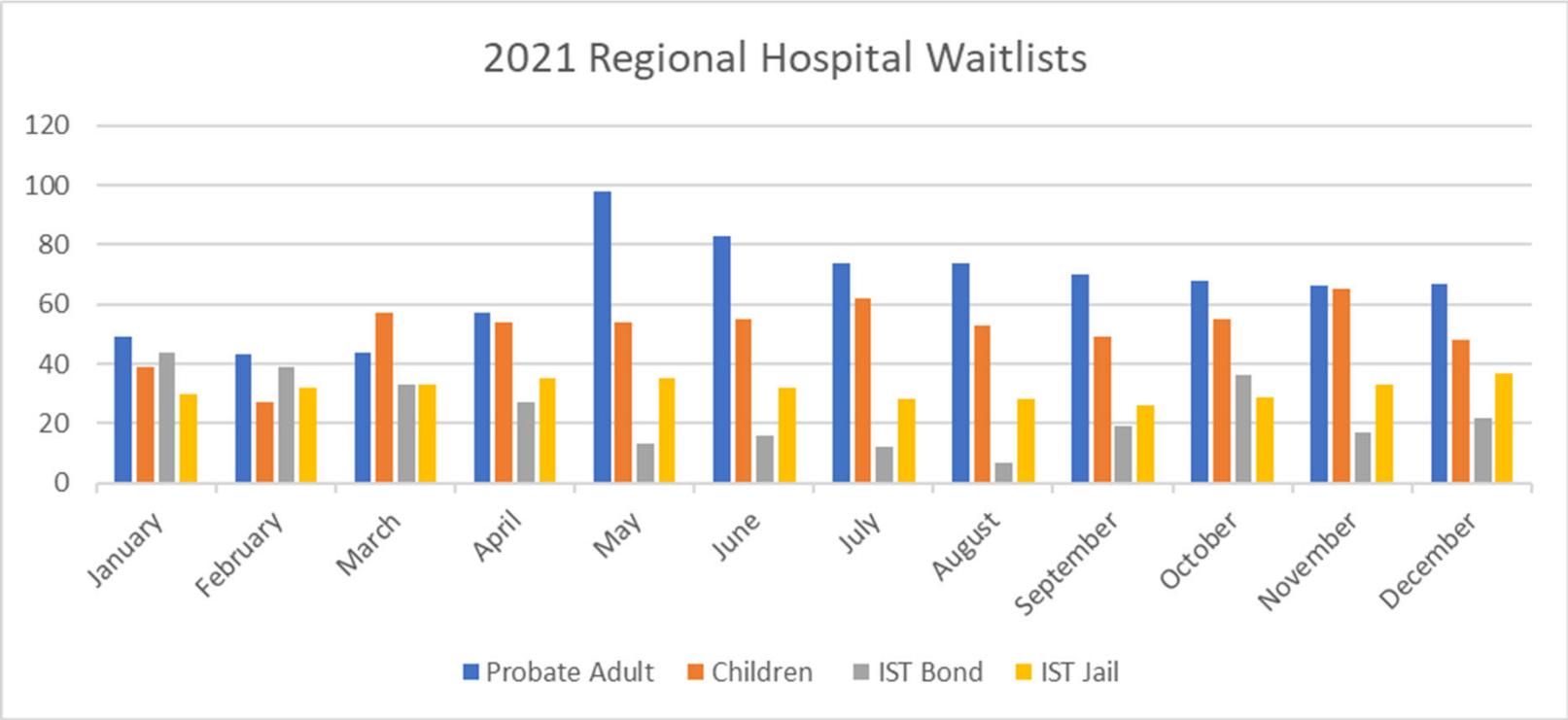




FY 2022 Progress: Psychiatric Residential Treatment Facilities

- Public Act 285 (2020).
- Provider of **inpatient psychiatric treatment services** to Medicaid-eligible individuals under the age of 21.
 - 42 CFR 441.151 through 441.182 & 483.350 through 483.376
- Must be accredited by **The Joint Commission**, or any other state-approved accrediting organization.
- Anticipated implementation **spring 2023**.

FY 2022 Challenges: State Hospital Waitlists



A blue pen with a silver tip is positioned diagonally across a document featuring a bar chart with blue bars. The background is a light blue gradient.

Governor Whitmer's Executive Budget Recommendation

FY 2023

Build a New Combined Psychiatric Hospital

Context

- **Excessive demand** and **persistent waitlists** for inpatient psychiatric services at state operated hospitals.
- **Aging physical plant infrastructure** at both **Walter Reuther Psychiatric Hospital** and **Hawthorn Center** has necessitated significant short-term investments to maintain necessary safety standards.
- Discontinuity in both hospitals' **physical plants do not reconcile** with current behavior health standards.
- **Significant future investments** to infrastructure will be needed in the coming years to maintain status quo.

Response

- Design and construct a **modern facility** that reconciles with current behavioral health standards.
- Keeping populations separate.
- Make **treatment and living spaces** contiguous.

Expected impact

- **Operational efficiencies are gained** by combining two facilities into one.
- Provision of treatment in a **modern setting**.
- Contiguous living spaces will **maximize therapeutic and staffing efficiencies** as well as **improve patient and staff safety**.

Behavioral Health Capacity and Access

Context

- **Excessive demand** and **persistent waitlists** for inpatient psychiatric services at state operated hospitals.
- **Lack of community-based psychiatric beds** or facilities to immediately respond to patients transitioning out of state psychiatric hospitals.
- Long **admission delays** resulting in patients waiting in emergency rooms pending placement in a state facility.
- Michigan ranks **third in the nation** with the highest **shortages** of mental health professionals.

Response

- Expand **behavioral health inpatient community-based** treatment programs.
- Extend **behavioral health and opioid health homes** to additional counties.
- Fund staff and operational costs for two new units at the **Hawthorn Center**.
- Fund staff and operational costs for a new **Center for Forensic Psychiatry** satellite facility.

Expected impact

- **Increased access** to and **quality** of behavioral health services.
- **Improved patient outcomes**.

Occupational Health Clinics

Context

- The State of Michigan hospitals do not have an **occupational health clinic**.
- The COVID-19 pandemic exacerbated compliance issues with **occupational health and infection control requirements**, e.g., data entry, reporting, inventory, and surveillance, as well as flu vaccine and tuberculosis test administration.

Response

- Establish an occupational health clinic in the **five state psychiatric hospitals**.

Expected impact

- An occupational health clinic in each hospital will **operationalize** workplace safety, infection control, and medical and behavioral training and **improve health metrics** for all through quality control.

Centralized Administrative Support for State Psychiatric Hospital Activities

Context

- DHHS manages statutorily supported programs that **facilitate placement** of patients into **community settings** when community mental health cannot readily find placement.
- Additional FTEs are needed to **manage, monitor, and oversee** Careflow, MDHHS Community Transition Program (MCTP), and psychiatric residential treatment facilities (PRTF).

Response

Expand staffing infrastructure and supervision within the department.

Expected impact

- Admissions, discharges, and placement efforts will increase.
- Better utilization of limited state hospital beds and resources.



Wrap Up

Completion of **Caro Center** project.

Increase throughput.

Expansion of **education opportunities** Kalamazoo Psychiatric Hospital, Walter Reuther Psychiatric Hospital, and Caro Center.

Ongoing assessment of system-wide administrative and clinical processes.

Establishment of **Psychiatric Residential Treatment Facilities.**

Formal review of hospital operations for **forecasting trends** in physical plant management, bed capacity, and facility safety.



Contact: Chardae Burton
Phone: (517) 243-3221
Website: www.michigan.gov/mdhhs