

Primer

House Appropriations Committee (D)

JOE MARKOSEK, DEMOCRATIC CHAIRMAN

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Department of Human Services Mental Health System

The Department of Human Services oversees and funds Pennsylvania's mental health system, which includes state mental hospitals and community mental health programs. State mental hospitals are operated directly by the department and community mental health programs are administered by the counties.

The Mental Health and Intellectual Disability Act of 1966 (MH/ID Act of 1966) establishes responsibilities for state and county government, identifies mandated services, defines eligibility, and creates procedures for commitment to state facilities. The Mental Health Procedures Act of 1976 further defines the procedures for voluntary and involuntary treatment in state mental hospitals.

Over the past 50 years, the state hospital population has dropped from nearly 35,100 in 1966 to 1,409 as of July 2016. This deinstitutionalization is the result of changes in commitment laws (which provide strict admission criteria and expedite patient discharges) and the development of community treatment programs (which allow individuals to receive necessary services and avoid hospitalization).

An estimated 205,000 Pennsylvanians (who are not Medicaid eligible) receive community mental health services through the county-run programs.

The state budget provides funding to state mental hospitals and community mental health programs under the Mental Health Services appropriation. Approximately 60 percent of all funding is budgeted for community programs and 40 percent for the state hospitals.

State Mental Hospitals

The state mental hospital system is currently comprised of seven facilities, which include six state hospitals and one restoration center. Only adults are in the state hospital system -- children and adolescents are treated in community-based facilities. All seven facilities are certified by Medicaid and Medicare. Consequently, they must meet and maintain federal standards related to services, physical environment, and client health and safety.

The six regional hospitals are: Clarks Summit (Lackawanna County), Danville (Montour County), Norristown (Montgomery County), Torrance (Westmoreland County), Warren (Warren County) and Wernersville (Berks County).

All state hospitals provide general psychiatric inpatient treatment for adults with serious mental illness who require extended treatment. Two of these hospitals – Norristown and Torrance – operate regional forensic psychiatric units that offer specialized treatment programs for mentally ill adult offenders and defendants. The forensic units assess whether an individual is mentally able to stand for trial and treat convicted individuals whose illness cannot be managed in a county prison. Additionally, Torrance provides mental health and sex-offense specific treatment for adults who have been adjudicated of certain sex-related crimes.

The Restoration Center at South Mountain (Franklin County) provides licensed skilled nursing and intermediate long-term care services to elderly former residents of state hospitals who now require nursing home care.

The current capacity of the seven facilities in the state hospital system is 1,568. This includes 1,107 in the civil units of the six state hospitals, 237 in the forensic units at Torrance State Hospital and Norristown State Hospital, 65 in the Sexual Responsibility and Treatment Program at Torrance State Hospital, and 159 in the Restoration Center at South Mountain.

As of July 2016, there were 1,490 individuals in the state hospital system. The table below compares the population and staffing census for each of the facilities in July 2014 and July 2016. During this two-year period, the total number of residents has declined 2.4 percent and the staffing levels decreased 3.2 percent.

State Hospital System: Population and Staffing Census						
Facility	Population			Staffing		
	July 2014	July 2016	% Change	July 2014	July 2016	% Change
Clarks Summit	203	202	-0.5%	478	443	-7.3%
Danville	168	160	-4.8%	389	395	1.5%
Norristown	252	252	0.0%	738	623	-15.7%
South Mountain	151	150	-0.7%	296	288	-2.7%
Torrance	329	332	0.9%	648	669	3.2%
Warren	168	141	-16.1%	395	410	3.7%
Wernersville	256	253	-1.2%	567	572	0.8%
TOTAL	1,527	1,490	-2.4%	3,511	3,399	-3.2%

See "state hospitals"

On January 11, 2017, the Department of Human Services announced its plan to convert Norristown State Hospital into the Southeast Forensic Treatment Center within the next 18 to 24 months. The department will close the traditional civil section of the hospital and repurpose those beds for forensic treatment services. This initiative will expand and broaden the array of forensic services offered at Norristown while allowing more people (who receive traditional psychiatric services) to live in the community. The department will use the next 18 to 24 months to ensure current Norristown residents move to appropriate settings with appropriate services; those individuals who can safely move to community-based programs will be discharged and all other residents will be transferred to another state hospital.

Since 2005, three state hospitals have been closed: Harrisburg State Hospital on January 26, 2006; Mayview State Hospital on December 29, 2008; and Allentown State Hospital on December 31, 2010.

Community Mental Health Services

County Mental Health/Intellectual Disability (MH/ID) offices administer community mental health programs. Pennsylvania has 48 single and multi-county MH/ID offices that serve the 67 counties. The county offices determine a person's eligibility for service funding, assess the need for treatment or other services, and make referrals to appropriate programs. Most services are delivered by local mental health providers under contracts with the counties.

The MH/ID Act requires counties to establish mental health programs with nine mandated services, including: short-term inpatient treatment, partial hospitalization, outpatient care, 24-hour emergency services, rehabilitation and training, and aftercare services for persons released from state mental hospitals.

Pennsylvania targets community services to adults with serious mental illnesses and to children/adolescents with or at-risk of serious emotional disturbances.

- Inpatient psychiatric care provides short-term 24-hour evaluation, care and treatment services to individuals in severe distress. The treatment objective is to stabilize the crisis so that an individual may return safely to the community.
- Partial hospitalization services are provided daily to individuals suffering moderate emotional or mental disorders. In partial hospitalization, the individual resides in the community and spends the day at the treatment center. Services include group therapy, individual therapy, and medication management.
- Outpatient psychiatric services are provided periodically (such as weekly or monthly) to individuals suffering minimal to moderate distress. Services include counseling, therapy, psychiatric evaluation, and medication reviews.
- Emergency and crisis interventions assure the safety of individuals. These services include telephone counseling for individuals experiencing moderate to severe distress and 24-hour intervention for people experiencing severe emotional distress.

Community mental health services also include: case management to assure individuals receive needed services; employment and training programs for adults; residential living arrangements such as personal care homes, group homes and supervised apartments; and family supports such as respite care and family-based mental health services that enable families to care for their child at home.

Community Hospital Integration Program Projects

Community Hospital Integration Project Program (CHIPP) links community programs to the state hospital system. The objective is to move state hospital patients, who no longer require inpatient psychiatric treatment, into more appropriate community-based programs. CHIPP is designed to assure that counties have the necessary residential and treatment services to support discharged patients. As patients are discharged from the state mental hospitals, the department closes hospital beds and transfer state hospital funds to the county programs.

Community services developed with CHIPP funds are not only available to discharged patients, but also to individuals residing in the community who would likely be hospitalized if CHIPP services were not available. Thus, CHIPP creates additional community-based service capacity that avoids unnecessary hospital utilization, thereby facilitating more predictable planning for future state hospital needs.

Since CHIPP's inception in 1991/92, the department reports that 3,290 patients were discharged from the state hospitals and \$262 million of CHIP funding has been transferred to community programs through 2015/16. For each person discharged, the department estimates an additional four to five people receive CHIPP-funded community services.

The current Olmstead plan for Pennsylvania's state mental health system requires the department to request funding for at least 90 CHIPP discharges each fiscal year. As hospital beds close, funding will continue to be re-directed from the state hospitals to community programs. Implementation of the Olmstead plan will decrease reliance on institutional care, ultimately leading to the continued consolidation and/or closure of state hospitals. *(See box on page 4 regarding the Olmstead Supreme Court Decision)*

The Olmstead Supreme Court Decision

In its landmark *Olmstead v. L.C.* decision, the U.S. Supreme Court ruled that medically unnecessary institutionalization of people with disabilities is a form of discrimination under the American with Disabilities Act.

The 1999 Olmstead decision requires states to eliminate unnecessary segregation of persons with disabilities and to ensure that persons with disabilities receive services in the most integrated setting appropriate to their needs. Integrated settings are those that enable people with disabilities to interact with people who do not have disabilities.

The Supreme Court held that states must provide community-based services when (1) the state's treatment professionals reasonably determine that community placement is appropriate, (2) the person does not oppose such placement, and (3) the state has the available resources to provide the placement.

Additionally, the Court suggested states could comply with the ruling by developing "comprehensive, effective working plans" (Olmstead Plans) to increase community-based services and reduce institutionalization.

In 2011, the Office of Mental Health and Substance Abuse Services (OMHSAS) in the Department of Human Services developed an Olmstead plan for Pennsylvania's state mental health system. The plan, which details the specific steps the department will take to end unnecessary institutionalization, was updated in 2013 and again in 2016.

The priorities of the current plan are to: (1) return adults residing in state hospital units to a community of their choice; (2) provide individuals residing in other institutions or large segregated and/or congregate settings the opportunity to live in more integrated settings; (3) divert individuals from institutions and large segregated congregate settings; and (4) provide opportunities for individuals to return to work or resume their education.

Funding

Pennsylvania's mental health system is funded through a single appropriation, Mental Health Services. The annual appropriation for this line item supports both state hospitals and community programs.

State Mental Hospitals

Funds budgeted for the state mental hospital system pay the staff, operating expenses, and fixed assets (i.e., maintenance equipment and office equipment) needed by the department to effectively run the six state hospitals and one restoration center.

Personnel costs are the most expensive component of the state hospital system, accounting for more than three-fourths of the state hospital budget.

State and federal funds are the predominant revenue source. Additional revenue is provided through payments that hospitals collect from those patients who have private insurance or have too much income to qualify for financial assistance.

- State General Funds represent approximately 55 percent of state mental hospital funding.
- Federal funds, primarily federal Medical Assistance reimbursements, represent approximately 43 percent of funding.
- Other hospital collections represent approximately 2 percent of funding.

Community Mental Health Services

The department allocates state and federal funds to counties to pay for community programs.

- State General Funds account for approximately 94 percent of total grants allocated to counties.

- Federal funds, including Community Mental Health Services Block Grant funds and Social Services Block Grant funds, account for approximately 6 percent of county grants.

The county allocations provide funding for basic mental health programs under the MH/ID Act: administrative services, community services, outpatient, administrative case management, emergency, vocational rehabilitation, community, residential, family support and social rehabilitation. These services are supported with state funds (90 percent) and county funds (10 percent). The MH/ID Act also provides 100 percent state funds for new services - these include inpatient treatment, partial hospitalization and intensive case management.

Beginning in 2012/13, the grants allocated to counties for community mental health programs are eligible for inclusion in the Human Services Block Grant program, established by Act 80 of 2012. Counties that participate in the program have flexibility to spend block granted funds for human services other than those that are supported under the categorical appropriation. That is, a county may, subject to the requirements and restrictions established in Act 80, use a portion of its allocation for community mental health services to support the following human services: intellectual disability community base programs, child welfare services, behavioral health services, homeless assistance, and drug and alcohol treatment and prevention services.

Participation in the Human Services Block Grant program was initially limited to 20 counties. Act 55 of 2013 increased the number of participating counties to 30. Recent legislation (Act 150 of 2016) opened the block grant program to all counties on a voluntary basis.

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