



April 21, 2016

**Michigan Department of Health and Human Services  
Public Hearing on Certificate of Need Review Standards  
Psychiatric Beds & Services Standards  
Proposed Standards for Special Pool for Psychiatric Beds**

**Identification of the Access Problem:**

- The Psychiatry Standards Workgroup has only heard anecdotal evidence of an acute inpatient psychiatric access problem in the State of Michigan for care of developmental disabilities, geriatric care and patients with medical needs. It would be of critical importance to collect specific demand information on these three specialty populations. It would be our assumption that the CON Commission would require this specific data in order to support the need for an additional 170 special needs beds into a state-wide inventory that has excess capacity currently. This data, similar to MRI demand statistics or Cardiac Cath Lab demand statistics, would also better inform the number of beds allocated to each specialty care unit and locations.
- Further data is needed to determine patients who are represented in anecdotal information regarding psychiatric boarding in Emergency Departments meet inpatient criteria, or if respite care, residential care, partial hospitalization care or intensive outpatient care is more appropriate to meet the needs of these special populations of patients.
- The Department must determine why current Medicaid funding and CON standards have not been able to influence hospitals to expand or open new units based on available bed inventories. If hospitals are currently reluctant to open new psych beds, why would adding 170 additional beds into the inventory help the suggested access issue?
- Adult psychiatric beds can currently be utilized for the three proposed specialty populations (there are no specific Psych/Med Unit or Geriatric Unit Standards or Licenses). The Department must gather data on why the current Adult units in the State are not meeting the proposed access issue.
- 69.2% occupancy rate in Adult Psych beds in State (Source 2014 MI CON Annual Survey)
  - **Department data shows an average of 718 licensed beds are unfilled daily**
- 70.1% occupancy rate in Child & Adolescent (C&A) Psych beds in State (Source 2014 MI CON Annual Survey)
  - **Department data shows an average of 74 licensed C&A beds are unfilled daily**

### **Solutions to Proposed Special Pool Access Issues:**

- Health Service Area (HSA) #2, #3, #5, #7, #8, have unmet Adult bed need, which by **current CON Standards would allow for an additional 80 Adult beds to be added in those HSA's.** (Source 1/4/16 Updated CON Adult Bed Inventory)
- Health Service Area (HSA) #2, #3, #4, #5, #7, #8 have unmet C&A bed need, which by **current CON Standards would allow for an additional 80 C&A beds to be added in those HSA's.** (Source 1/4/16 Updated CON Adult Bed Inventory)
- A Medicaid Psychiatric Inpatient Intensive Care per diem payment code should be developed to off-set the anticipated staffing costs to manage (estimated at an additional \$500 - \$1,000 per day) these proposed special populations. Absent clear data, it is our assumption that hospitals have not developed CON applications for new psych units to meet the demand based on economic barriers to staffing these types of specialty units.
- State-wide incentives for loan forgiveness available for psychiatrist moving into Michigan or deciding to stay in Michigan post residency.
- Consider a Psychiatric Bed CON Standards change that included the entire lower peninsula of Michigan as one planning area for bed need. Regionalization of C&A hospitalization has made the current HSA's incompatible with bed need of regional hospital centers of care.

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