

January 3, 2022

Richard Stavneak
Director
Joint Legislative Budget Committee
1716 West Adams
Phoenix, Arizona 85007

Dear Mr. Stavneak:

In accordance with ARS § 36-2903.13, please find the enclosed report on inpatient psychiatric treatment. Please do not hesitate to contact me at (602) 417-4111 if you have any questions or would like additional information.

Sincerely,



Jami Snyder
Director

cc: Matt Gress, Director, Governor's Office of Strategic Planning and Budgeting
Christina Corieri, Senior Policy Advisor, Governor's Office



**Report to the Director of the Joint Legislative Budget
Committee Regarding Inpatient Psychiatric Treatment
Availability**

December 2021

Report to the Director of the Joint Legislative Budget Committee Regarding Inpatient Psychiatric Treatment Availability

BACKGROUND

ARS § 36-2903.13 requires the following:

A. On or before January 2, 2020 and each year thereafter, the director of the Arizona health care cost containment system administration shall submit a report to the director of the joint legislative budget committee on the availability of inpatient psychiatric treatment both for adults and for children and adolescents who receive services from the regional behavioral health authorities. The report shall include all of the following information:

1. The total number of inpatient psychiatric treatment beds available and the occupancy rate for those beds.
2. Expenditures on inpatient psychiatric treatment.
3. The total number of individuals in this state who are sent out of state for inpatient psychiatric treatment.
4. The prevalence of psychiatric boarding or holding psychiatric patients in emergency rooms for at least twenty-four hours before transferring the patients to a psychiatric facility.

B. The report shall provide the information specified in subsection A of this section separately for adults who are at least twenty-one years of age and for children and adolescents who are twenty years of age or younger.

INPATIENT PSYCHIATRIC TREATMENT DATA

Total Number of Inpatient Psychiatric Treatment Beds Available and Occupancy Rate for Those Beds

Based on calendar year 2020 (most recent available) data from the Uniform Accounting Reports (UAR) submitted to the Arizona Department of Health Services (ADHS), there are 2,431 licensed psychiatric beds available for occupancy in Arizona. This is a 33 percent increase from the 1,829 available beds reported in 2019. Per the UAR data, there was a total of 515,728 inpatient psychiatric patient days reported for the same timeframe, which averages to 1,413 beds utilized per day (58.12 percent occupancy).

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Expenditures on Inpatient Psychiatric Treatment

Table 1 displays data for all psychiatric inpatient stays for AHCCCS members separately for adults who are at least 21 years of age and for children/adolescents who are 20 years of age or younger.

Table 1. Expenditures: Inpatient Psychiatric Treatment

	Members Less than 21 Years of Age	Members Aged 21 and Older
Total Expenditures State Fiscal Year (SFY) 2021	\$77,209,471	\$164,128,404

Total Number of Individuals In State Who are Sent Out of State for Inpatient Psychiatric Care

Table 2 displays data for all out-of-state psychiatric inpatient stays for AHCCCS members separately for adults who are at least 21 years of age and for children/adolescents who are 20 years of age or younger.

Table 2. Unique Members Receiving Inpatient Psychiatric Services Out of State

	Members Less than 21 Years of Age	Members Aged 21 and Older
Unique members with one or more psychiatric inpatient stay(s) out of state, SFY 2021	166	339

Prevalence of Psychiatric Boarding or Holding of Psychiatric Patients in Emergency Rooms for At Least Twenty-Four Hours Before Transferring Patient to a Psychiatric Facility

AHCCCS requires the Managed Care Organizations (MCOs) to monitor the number of members and time spent waiting in the Emergency Department (ED) for placement in an effort to coordinate care and monitor potential quality of care concerns. The MCOs are required to engage in care coordination efforts with the hospital once an individual has been identified as awaiting discharge to the appropriate level of care. AHCCCS is engaged in efforts with the Health Information Exchange (HIE) and MCOs to standardize the reporting methodology for this metric. AHCCCS expects in the future to utilize direct source data from hospitals, which is anticipated to be a more accurate reflection of this metric. Efforts are currently underway to implement this reporting methodology and anticipated to be effective in 2022. Over the

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last year, AHCCCS has also participated in direct engagement with hospital systems and MCO leadership to increase bed capacity and expedite discharges for those pending psychiatric admissions.

CONCLUSION

AHCCCS will continue to monitor and report on psychiatric inpatient utilization, bed availability, and how such access to care impacts members. With Federal restrictions on reimbursement of institutional services for members aged 21 through 64 at Institutions for Mental Disease (IMDs), utilization, capacity and development of facilities with greater than 16 beds must be carefully scrutinized. Additionally, AHCCCS has submitted a request for a waiver of the Federal IMD restriction to help alleviate the length of stay restrictions for members needing the IMD level of care and is awaiting CMS feedback.