

December 30, 2020

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

Dear Mr. Stavneak:

In accordance with Laws 2019, 1st Regular Session, Chapter 270, please find the enclosed report on inpatient psychiatric treatment. Do not hesitate to contact me at (602) 417-4711 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 2020
Jami Snyder,
Director**

BACKGROUND

Laws 2019, 1st Regular Session, Chapter 270, 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 care.
 4. The prevalence of psychiatric boarding or the holding of psychiatric patients in emergency rooms for at least twenty-four hours before transferring the patient 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

The legislation requires reporting on the following four areas:

1. *The total number of inpatient psychiatric treatment beds available and the occupancy rate for those beds.*

Based on calendar year 2019 data (most recent available) from the Uniform Accounting Reports (UAR), submitted to the Arizona Department of Health Services, there are 1,829 licensed psychiatric beds available for occupancy in Arizona. This is a slight increase from 1,818 available beds in 2018, a 0.61 percent increase. Also, per the UAR data, there was a total of 507,634 inpatient psychiatric patient days reported for the same timeframe, which averages to 1391 beds utilized per day (76.1 percent occupancy, down from 86.2 percent last year).

2. *Expenditures on inpatient psychiatric treatment.*

Table 1 displays data for all psychiatric inpatient stays for AHCCCS members 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.

Table 1. Expenditures: Inpatient Psychiatric Treatment

	Members Less than 21 Years of Age	Members Aged 21 and Older
Total expenditures, SFY 2020	\$56,732,443	\$147,862,402

3. *The total number of individuals in this 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 twenty-one years of age and for children and adolescents who are twenty 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 2020	241	282

4. *The prevalence of psychiatric boarding or the holding of psychiatric patients in emergency rooms for at least twenty-four hours before transferring the patient to a psychiatric facility.*

AHCCCS requires the Managed Care Organizations (MCOs) to monitor the numbers of members and time spent waiting in the Emergency Department (ED) for placement in order 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 MCOs to standardize the reporting methodology for this metric, due to the variance in reporting standards of the self-reported data that has been utilized in previous reports. In the future, AHCCCS expects to utilize direct source data from hospitals, which is anticipated to be a more accurate reflection of this metric.

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.