CONCORD MONITOR
Published on *Concord Monitor* (http://www.concordmonitor.com)

N.H. mental health: from success to suit

Decline attributed to funding, politics

By Maddie Hanna / Monitor staff
February 12, 2012

It's a historical point that makes the present more striking: New Hampshire, now under fire for confining too many mentally ill people in institutions, was once admired for developing a community mental health system.

Attorneys who filed a class-action lawsuit last week on behalf of people with serious mental illness drew attention to that contrast, noting how the National Institute of Mental Health recognized New Hampshire as a model in the late 1980s, after the state downsized its psychiatric hospital and sent patients into the community.

Today, New Hampshire is no longer touted as a success story. Group homes have closed, hospitals have shuttered psychiatric units, and admissions to the state's institutions have soared, from 900 in 1989 to 2,300 last year.

The overburdening of the state hospital prompted the state's health and human services commissioner to declare the system "broken," and federal officials followed by accusing the state of failing to provide community services and needlessly institutionalizing people with mental illness, a claim that also forms the basis of the lawsuit filed by the Disabilities Rights Center last week.

But while the contrast is stark, what drove the deterioration is less obvious. Mental health providers say there was no single factor, instead citing an ongoing lack of rate increases that led to cutbacks at community mental health centers.

And several people involved in the mental health system said they think a lack of political will and a change in governing philosophy have also contributed to its failure.

"You can talk about plans, you can talk about whether they were implemented or changed, but I think the fundamental starting point is an acceptance of responsibility," said Don Shumway, president and CEO of Crotched Mountain, who headed the state Division of Mental Health in the 1980s and oversaw reforms that moved the state toward a community-based mental health system.

In those years, leaders from both political parties believed that providing a quality mental health system was "a public commitment that had to be made and a responsibility borne by the state," Shumway said.

"That is in question at this time."

System in transition

Shumway became director of the Division of Mental Health under former governor John Sununu in 1984, just as a state study commission had produced a report calling for the downsizing of New Hampshire Hospital and the development of community services.

"Experience in New Hampshire has shown that when community services are in place, admissions to the state hospital are greatly reduced," according to an excerpt from the report reprinted in the lawsuit against the state. The state shut down units at New Hampshire Hospital and built a new version off Clinton Street, transitioning from a facility that had once served 2,800 patients in the 1970s to a hospital with capacity for fewer than 200, according to state reports.

It also developed the network of 10 outpatient community mental centers that exists today. While the centers pre-existed those reforms, they had been limited to providing therapy - services that were useful, but not geared toward people with more severe forms of mental illness, Shumway said.

Under his tenure, the centers developed the ability to treat people with illnesses like severe depression and paranoid schizophrenia. Group homes were developed, and specialized treatment teams providing intensive outreach services were set up across the state.

The state also developed new laws, including a conditional discharge policy, which allowed the state hospital to readmit people who didn't take their medication.

"It was very progressive, but it was also conservative," Shumway said of the law.

As for the outcome of the reforms, New Hampshire was spending about the national average on services, he said, "but we had the finest mental health system in the country."

Psychiatric shortages

There were always challenges, however. Psychiatrists have been hard to attract to New Hampshire; in 2008, the federal government designated a third of the state as a "mental health professional shortage area," according to a report produced that year by a state task force.

But a community-based system requires that psychiatric services be available through local hospitals, said Kathy Sgambati, a former Democratic state senator who previously served as the deputy commissioner of health and human services.

"The intent was to have several tiers of the system, the (state hospital) being the last spot for those people with the most serious and life-threatening illness," said Sgambati, who worked in health and human services for 26 years and left the department in 2004.

But local hospitals "don't really have the beds and the staffing to accommodate people for more

than just dealing with that emergency," she said.

The state's plan called for designated receiving facilities for psychiatric patients to be created at local hospitals, but low reimbursement rates made it hard for hospitals to operate those units, Sgambati said. While hospitals did open units, they later closed them: The number of community designated receiving facility beds went from 101 in 1990 to eight in 2008, according to the state task force report.

"It's a difficult and expensive population for them to serve," Sgambati said. "Some just basically gave up on it."

While hospital services were a challenge, Sgambati said the state was able to invest in its community mental health centers after it started securing more Medicaid money.

But over the years, reimbursements for Medicaid services were cut or remained flat - widening the budget gap for the mental health centers, whose costs were increasing, Sgambati said.

Other pieces of federal funding have eroded or not kept pace with inflation, including money from the Housing and Urban Development department and the Social Security program, said Nancy Rollins, associate commissioner of health and human services.

"When you sort of added up those things, they could be woven together to support the individual," Rollins said.

But over time, she said, "that safety net has been minimized."

Shutting down homes

To make ends meet, community mental health centers resorted to closing group homes: In 2008, the state just had 203 group home beds, according to the report from the state task force, which called for 132 new beds as part of its recommended 10-year plan.

At first, however, centers took more people into the homes in an effort to cover their costs, said Maggie Pritchard, executive director of Genesis Behavioral Health, which has offices in Plymouth and Laconia.

But those living situations weren't sustainable, and centers moved people out of the homes into placements in the community, Pritchard said.

That was a problem: People who had been in the group homes still needed around-the-clock care, but "how can I bill you for 24 hours?" Pritchard said. The centers weren't providing the same level of support, she said.

Until six years ago, Riverbend Community Mental Health in Concord ran a residential program on Pleasant Street that had served 13 of its sickest clients, said CEO Louis Josephson. The center was getting $78 per day to serve people in the program, "which was half of what it cost us," Josephson said.

When he told the state Riverbend couldn't continue to subsidize the program, "the quote was,

'Do what you have to do,' " Josephson said. He closed the program, he said, and Riverbend sent three of its residents to the Glencliff Home - a far more expensive setting.

It costs $124,000 a year to serve a person at Glencliff, the state's psychiatric nursing facility, and $287,000 a year to serve a person at the state hospital, according to the report the federal Department of Justice issued last year accusing the state of failing to serve people with mental illness in the most integrated settings.

By contrast, treating a person with mental illness in the community costs $44,000 a year, the report said.

Given that discrepancy, Josephson said he thinks state officials have demonstrated "a lack of vision" by not putting money into the community mental health system.

"I've heard people say, and this may be true, if you just get a few people out of the state hospital, then you can't close a whole unit and you don't have the savings," he said. "But if you have a real program (in the community), you can close a whole unit."

'There's no perfection'

It takes more than money to set up a strong community program, however - especially when it comes to housing, said Health and Human Services Commissioner Nicholas Toumpas.

"We know we need that supportive housing. Trying to find that, and having that across the state - that's a challenge," Toumpas, who wasn't speaking in the context of the lawsuit filed against the state, said during a meeting with the Monitor's editorial board last week.

"Somebody can put in there, you need X number of additional beds. I may not disagree with them, but I can't get that done in six months, even if you gave me the money to do it," he said.

Housing people with severe mental illness isn't only a challenge in New Hampshire, said Robert Glover, executive director of the National Association of State Mental Health Program Directors. "Even if you have the money, it's hard to find housing stock in settings where people are well received," he said.

New Hampshire also isn't alone in its budget pressures, Glover said. From 2009 to now, more than $4 billion has been cut from the $36.7 billion public mental health system, and emergency rooms have been overwhelmed by psychiatric patients unable to get help elsewhere, he said.

"This represents a crisis across the nation: trying to maintain services when funding is being cut," Glover said.

And in terms of money spent on mental health services, New Hampshire is near the upper third of states in per capita spending, according to data provided by Glover, with 32 percent of its money spent on inpatient services and 67 percent on community services in fiscal year 2009.

That's not far off the national average for state mental health agencies, which in 2009 spent an average of 72 percent of their budgets on community services and 26 percent on inpatient services, Glover said.

But in 1993, the earliest year that Glover's organization had complete data for New Hampshire, the balance was much different: New Hampshire spent 72 percent of its money on community services and 25 percent on the state hospital, while the national average was about 50 percent for community and inpatient services alike.

New Hampshire was ahead of the curve, Glover said. "The trend, and it is best practice, is to develop more community-based programs," he said.

Even when New Hampshire was considered a model state, however, "there were still things wrong with the system," said state Rep. James MacKay, a Concord Democrat and former psychotherapist. "There's no perfection, particularly in mental health."

But MacKay, who served as chairman of the legislative commission formed in 2005 to develop a state mental health plan, said the state's previous success has made the system's decline particularly painful.

"It is so frustrating when you know what to do and you know you save money when you do it," he said. "Instead, we're backsliding."

(Maddie Hanna can be reached at 369-3321 or mhanna@cmonitor.com.)
