

FISCAL NOTE

Ordinance/Motion: FY14 2nd Supplemental Omnibus

Title: Increase inpatient psychiatric capacity

Requesting Agency: MIDD (EN_A99000)

When County Designated Mental Health Professionals (DMHPs) detain individuals at a time when no inpatient Evaluation and Treatment (E&T) beds are available, they obtain authorization for a "single bed certification" to keep ("board") the person where they are (e.g. a hospital emergency room or a bed in a non-psychiatric hospital setting). On August 7, 2014, the Washington State Supreme Court issued a ruling that says it is illegal for the state to "board" psychiatric patients in non-psychiatric hospital beds. On average 5-6 people per day who are placed on single bed certifications in King County end up being "boarded." Over 2,000 people were "boarded" in King County in 2013.

In response to the Supreme Court ruling, the State of Washington is actively working to add inpatient psychiatric bed capacity. However, all of the capacity being added in King County is in facilities that are designated as "institutions for mental disease" (IMDs), which means Medicaid cannot reimburse for these beds. Since new bed capacity will need to be used to eliminate the practice of "boarding" and no immediate funding stream has been identified by the state, DCHS proposes utilizing one-time fund balance in the MIDD fund to address this issue. The long-term goal for King County and the state is to add E&T capacity that is Medicaid billable (free standing E&T facilities of 16 beds or less). Hopefully some of that capacity will be available late in 2015.

	FY14	FY15	FY16	FY17	FY18
REVENUES					
EXPENDITURES					
SERVICES-OTHER CHARGES (53000)	5,200,000				
Total Expenditure	5,200,000				
Net Impact	-5,200,000				

Notes

1. The new capacity will cost \$809 per bed for every day that the individuals are hospitalized in this new E&T capacity. The average length of stay for people on our single bed certification lists is 16 days. We anticipate that the available MIDD fund balance of \$5,200,000 will allow the County to add an additional 54 inpatient psychiatric beds and allow us to hospitalize the detained individuals who would otherwise have been "boarded" for the remainder of 2014.