

EXECUTIVE SUMMARY

The Philadelphia Coalition of Community Mental Health/Mental Retardation (MH/MR) Centers seeks an increase in Medical Assistance reimbursement rates for partial hospitalization services. These programs provide psychiatric, social, and behavioral rehabilitation services to the chronically and severely mentally ill. Partial hospitalization serves as the only source of stability and care for a majority of Medical Assistance recipients who suffer from severe mental disorders.

Despite the rising cost of mental health services, Medical Assistance rates for partial hospitalization have not increased significantly in ten years. This underfunding has limited services and diminished the quality of care. Providers cannot develop new treatment programs or buy supplies for therapeutic activities. MH/MR centers cannot offer competitive salaries and have great difficulties in recruiting and retaining staff; salaries of direct-care staff are often lower than those of fast food restaurant employees. As a result, clients are not receiving the care necessary to achieve their maximum functioning level or to remain stable, thus increasing the need for costly inpatient stays.

The current rate of Medical Assistance reimbursement for partial hospitalization is \$6.00 per hour for adults and \$7.00 per hour for children, rates that are at least \$2.50 an hour less than actual cost. A \$2.50 per hour increase would raise the per diem cost of adult partial hospitalization services from \$36.00 to \$51.00. When compared to the cost of inpatient care, which averages \$290.00 a day and can range as high as \$565.00 a day, partial hospitalization services prove to be a cost-effective alternative to inpatient care.

The advantages of partial hospitalization services are many. Clients are treated in the least restrictive environment and can avoid the trauma of a lengthy inpatient stay. Services are located within the community, making them more accessible to the people who need them. Finally, partial hospitalization is unusually cost-effective. At a time when Pennsylvania faces severe fiscal restraints, it makes sense to allow community MH/MR centers to adequately treat the mentally ill within their communities in the more cost-effective manner.

THE PHILADELPHIA COALITION

The Philadelphia Coalition of Community
Mental Health/Mental Retardation Centers, Inc.

Executive Director
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CATCH, Inc.

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Community Council
for MH/MR Inc.

CO-MHAR, Inc.

Charles R. Drew
Community
MH/MR Center

Hall-Mercer
Community MH/MR
Center of
Pennsylvania
Hospital

INTERAC, Inc.

John F. Kennedy
Community
MH/MR Center

Northeast
Community Center
for MH/MR

PATH
Community MH/MR
Center, Inc.

The Northwest
Center

The
Benjamin Rush
Center

West Philadelphia
Community
Consortium, Inc.

Claude Lewis, Columnist
The Philadelphia Inquirer
400 North Broad Street
Philadelphia, Pennsylvania 19101

Dear Mr. Lewis,

I've been meaning to write and express our appreciation for your recent piece entitled "Why the mentally ill often don't seek aid."

It was heartening to see someone take the time to delve into this problem -- as you note, too many people have preconceived notions and unwarranted fears about what mental illness is. When the topic of mental illness is addressed, I think too frequently it's only in the aftermath of some tragic event -- and that's a great pity. Perhaps if there was broader public understanding and appreciation as to the needs of mentally ill people, many of these tragedies could be avoided.

As you clearly note in your final paragraph, what is "so terribly frightening" is how so many mentally ill people "can exist without being helped and followed up by therapists. What's terrifying is not those who receive treatment for mental or emotional illness, but the great many who don't until they're at the center of a crisis."

I couldn't agree with you more. At the same time, though, I'd like to alert you to something that's even more terrifying.

The fact is, there is a program geared specifically to treating persons with mental illness -- a program that has been proven to be not only highly successful, but also cost-effective. That's a hard combination to find these days.

What's terrifying is that this successful, cost-effective program stands in real danger of gradually being eliminated -- to the ultimate detriment not

only of more than 22,000 very vulnerable mentally ill persons statewide (7,500 in Philadelphia alone), but also to the detriment of the state's health care budget.

The program is known as "partial hospitalization," a concept that is frequently misunderstood. These are vital outpatient day treatment programs -- not day care or residential services -- which help those with mental illness regain lost skills, learn to cope effectively with the symptoms of their illness, and improve their ability to interact with others as well as develop positive self-concepts of themselves.

Many of the adults who benefit from partial hospital programs have spent many years in state institutions such as Philadelphia State Hospital ("Byberry") and have returned to their communities as very fragile people, unable to cope with the demands of everyday life: taking public transportation, making decisions about meals, remembering to take their medication, or interacting positively with their neighbors. Partial programs help these individuals live in their communities and give them a sense of belonging and caring.

For other adults with mental illness, partial hospitalization programs may be a transitory stop, where they come for a specified period of time to regain skills, get counseling, and then are able to return to the workforce, knowing they have this "safety net" to catch them in period of crisis.

And it's not just adults who are being placed at-risk. Also affected are partial hospitalization programs serving children who have been identified because of severe behavior problems or who appear to suffer from emotional disorders. A partial hospitalization program provides these children with therapy and education in a classroom setting. Classes are small, allowing individual attention and care. The partial hospitalization setting gives these children their own opportunity to talk about their experiences and work through problems at home and at school. Partial hospitalization programs give these children a chance to overcome their difficulties and succeed in their education. And the programs are effective. Not long ago, one child who was enrolled in a partial hospitalization program went through the transition from a disruptive, defiant academic underachiever to being named Student of the Month at his Philadelphia area grade school.

Here's the problem -- currently, more than 90 percent of those individuals served by partial hospitalization programs are Medical Assistance (MA) recipients. As I noted above, in Philadelphia alone, 7,500 receive partial services. Statewide, the number is close to 22,000.

Partial programs currently are reimbursed through Medical Assistance at \$36 a day for adults and \$42 a day for children (compared to inpatient costs that Medical Assistance must reimburse at rates ranging from \$290 to \$540 a day). Despite the obvious cost savings that could be realized, partial hospitalization programs have been

consistently overlooked by the Department of Public Welfare and state legislators.

The fact is, MA reimbursement rates for partial hospitalization have remained nearly unchanged for the past ten years -- only a meager fifty cents an hour increase since 1981. Because of this, community MH/MR centers are finding it increasingly difficult to recruit or retain capable staff -- many of whom could earn more working in a fast food restaurant. Unless this severe underfunding is corrected, mental health clients served by these community MH/MR centers will face a decreased level of services, a higher risk of regression, and, ultimately, an increased need for costly inpatient psychiatric stays.

Indeed, if only one-fifth of the state's 21,715 MA partial hospitalization clients were to end up being placed in inpatient facilities for 120 days (the maximum days MA reimburses for partial hospitalization in one year), the cost to the state would run over \$150 million!

By increasing MA reimbursement rates a mere \$2.50 an hour, Pennsylvania's legislators can ensure these vital services will continue being provided to the people who need them so desperately. In round numbers that means a budget increase of about \$19 million -- but more than half of that money would be covered by federal matching funds. That may sound like a lot, but the likely alternative -- at least a \$150 million increase for inpatient hospitalization services-- would be a budgetary disaster!

Basically it's a safety net the state can't afford to lose. But unless state reimbursement rates for partial hospitalization are increased, everyone will lose -- Pennsylvania taxpayers and the mentally ill alike.

In these times of tight budget constraints, we have to be willing to make every dollar count as much as possible. Now it is up to our Pennsylvania state legislators to either spend a little now on partial hospitalization, or spend a lot more later.

Of course, that's just the economic argument, and given current fiscal realities, it's the point we are trying to impress on our state legislators. And we have begun to see some positive action. Recently, for example, State Representative Gordon Linton extensively questioned DPW Secretary John White about the low partial hospitalization rates at the annual House Appropriations Hearings. But having read your recent column, I'm sure you'd agree that the human side is just as important.

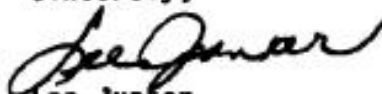
And with budget negotiations now underway in the state legislature, I'm sure you can appreciate both the importance and the timeliness of this issue -- not just to our coalition of community MH/MR centers, but more importantly to the persons we're trying so hard to serve.

Naturally, if you were to consider this issue as a possible subject for one of your columns, I would be happy to put you in touch with other members of the COALITION who are literally fighting out there on the front lines. You might even want to consider visiting one or two of the centers to get a firsthand look at how the adult or children's programs work. Perhaps you would like to talk with some of the on-site staffers and have them explain to you in their own words just the kinds of challenges and problems they have had to face over the years as they try to provide these services on the thinnest shoestring of a budget.

I hope you'll consider focussing on this topic in an upcoming column. In the meantime, if you have any questions, or if you would just like to talk a bit about the program, please feel free to call me anytime.

Thanks in advance for your time and consideration.

Sincerely,



Lee Junker
Executive Director

LJ:nlg

A small price for mental health

By CLAUDE LEWIS

One day last week Lee Junker, executive director of the Philadelphia Coalition of Community Mental Health/Mental Retardation Centers, was trying not to fret.

She sat in her seventh-floor office at 1218 Chestnut St. talking to a columnist about the lack of funds that threatens services for medical assistance patients in Pennsylvania.

Inadequate funding is directly responsible for a high turnover rate among employees at the 12 coalition centers across Philadelphia. Some are paid salaries that rival those of fast-food restaurant workers.

Junker said that what her agency was seeking from the state legislature was a \$2.50 per hour increase for medical assistance reimbursement rates for partial hospitalization services.

The current rate of medical assistance reimbursement for partial hospitalization is \$6 per hour for adults and \$7 per hour for children. Those rates are at least \$2.50 an hour less than actual cost.

There are approximately 22,000 mental-health patients in Pennsylvania, many of whom are school-age children. Philadelphia is home to about 7,500 patients.

"In the past 10 years, the only increased funding we've received for care of our patients is 30 cents an hour. And that increase was delivered back in 1981," Junker said.

"If state legislators don't provide increased funding by the end of this month, some of our partial hospitalization programs may well have to cut their services.

"What this will mean," Junker said, "is that many patients now receiving partial hospitalization will wind up in an inpatient setting at a cost to the state of between \$290 and \$365 a day. With only a \$2.50 per hour increase, the per patient cost to the state would be no more than \$31 to \$37 a day." If patients end up in a full-time

mental health facility, their cost would add at least \$150 million to the state's Medicaid budget for inpatient hospitalization services.

Partial hospitalization services are valued because patients are cared for in a less restrictive environment than they would be in a hospital and they would be able to avoid the trauma of lengthy hospi-

Community mental health centers haven't received an increase in state aid since 1981.

tal stays. In addition, not only do partial hospitalization patients living in their communities receive cost-effective treatment, they usually maintain close ties with family and friends.

It's been estimated that Pennsylvania probably does a better job of caring for animals than it does in caring for its mentally ill. There are programs and funds to operate zoos, control rabid animals, license dogs, protect animals from abuse and operate animal shelters. Yet, many citizens lack adequate treatment for mental health problems because of inadequate facilities.

The mental-health community continues to operate on unrealistic budgets. The Philadelphia Coalition often finds ways to make its treatment services available even to patients who are not funded.

"What are we going to do?" Junker asks, turning her palms upward and shrugging her shoulders in frustration. "Simply toss these children aside when they're making progress and are getting some of the assistance they need? We can't do that. We wind up carrying people we can't afford to

help and we eat the cost. But, realistically, there is a limit as to how much of a load we can carry without adequate funding," she said.

Many problem schoolchildren being assisted by the coalition are eventually able to return to their school. But some patients, children as well as adults, have problems that are so acute they have no choice but to rely heavily on the center's strained services.

Junker says there are a minimum of 55,000 Philadelphians with significant mental health problems. A social worker by training, she has headed the coalition for more than four years. She speaks of the days when government had a better appreciation for mental health programs.

In the mid '60s, there were serious efforts to aid the mentally ill. The federal government provided funds for staffing, construction and program development.

But under the Reagan administration, much of this effort was cut back. Reagan combined mental health treatment centers with drug and alcohol treatment. To a large extent the federal government dropped the ball. That caused an increase in the state's burden and responsibility.

"In the end," Junker said, "it's the poor patient who suffers the most."

In terms of pure economics, the \$2.50 increase being sought by the coalition makes good sense. It would save Pennsylvania approximately \$100 million in alternative care for mentally ill patients and allow patients to continue getting the help they need.

Any legislator unwilling to provide the crucial increase in funding the desperate community mental-health agencies need ought to have his head examined.

Claude Lewis' column appears Mondays and Wednesdays.

Will state say yes to mental health?

A few mornings ago, 15-year-old Helen D. gave me a tour of West Park, a state-funded program in West Philly that stabilizes adolescents with serious emotional problems so they can return to their neighborhood public schools.

Like many of her 28 fellow students who attend West Park for six hours every school day, Helen D. came from Eastern State School and Hospital, the state facility for emotionally and mentally disturbed children in Treviso, Bucks County.

Like many of her 28 fellow students, Helen D. came looking for stability, looking for an adult she could connect with who would promise to be there for her and then would actually be there for her.

Like many of her 28 fellow students, Helen D. came to West Park at 4900 Wyalusing Ave. consumed by anger.

She made a dramatic first impression on Cathy Watkins, West Park's fervently committed coordinator.

"She was disheveled, she smelled bad and she looked wild," Watkins said. "She had gone from foster home to foster home. She was very angry. She'd throw temper tantrums, pull fire alarms. We'd tell her to take a 'time out' and she would throw chairs across the room. We had to escort her to time out."

The good news was Helen D.'s breakfast thing.

"She would show up early every morning, before the program started, and demand breakfast," Watkins said.

Along with breakfast, Watkins gave Helen D. exactly what she needed. A sympathetic ear. Kindness. Stability. A fair chance to improve her mental health.

The Helen D. who showed me around the West Park classrooms a few days ago was not the Helen D. of two years ago.

She was an intelligent, articulate, well-groomed young lady. She was proud of her personal and her academic progress at West Park. Helen D. has gone from F's and D's to A's and B's. She is ready to return to her neighborhood school.

She should be proud.

Watkins is proud of her. "I live in this community," she explained. "I see my kids in the stores on 52nd Street. I see them in church. These kids are part of me. I see past their anger. I see their potential. I see their hopes. I am touched by their progress. I love what I'm doing."

But Watkins is grossly underpaid for what she is doing.

That is unfortunate for her and for the futures of teen-agers like Helen D. and of younger kids in the Community Council for Mental Health and Mental Retardation's other programs at 4900 Wyalusing.

And for the 7,500 kids and adults in Philadelphia and the 21,700 kids and adults statewide who are served by state-subsidized partial hospital-

ization programs.

According to Lee Junker, executive director of the Philadelphia Coalition of Community Mental Health/Mental Retardation Centers, mental health care workers start at \$14,500 with bachelor's degrees and at \$16,500 with master's degrees.

Those are burger-flipper wages. Coordinators like Watkins, who have master's degrees plus several years of experience, start at \$22,000.

That is pathetic money for a person with Watkins' extraordinary ability to help the troubled and vulnerable young souls in her care.

Why is the money so pathetic?

Because it comes from the state of Pennsylvania.

Yeah, the same state of Pennsylvania that is screwing over thousands of senior citizens daily by ruining

the subsidized Shared Ride program.

Yeah, the same state of Pennsylvania that has screwed over thousands of poor children and single working mothers for two years by ruining the subsidized day-care delivery system in Philadelphia.

That state of Pennsylvania.

Ninety percent of the kids and adults in mental health partial hospitalization programs like West Park receive Medical Assistance from the state. The state pays \$6 an hour for adults and \$7 an hour for children.

Except for one 50-cent-an-hour increase years ago, this rate has not changed in a decade.

So partial hospitalization programs like West Park are forced to pay their highly educated, highly skilled staffs burger-flipper wages.

That causes their highly educated, highly skilled staffs to turn over like burgers on a fast-food grill.

College grads spend a year or two in state-subsidized mental health programs to get the experience, then flock to private hospitals and public schools, where they can immediately earn thousands of dollars more.

This creates instability in mental health programs where the crying need is for stability.

The mental health community has been lobbying in Harrisburg to increase the Medical Assistance partial hospitalization rate by \$2.50 an hour.

Statewide, that would cost \$19 million in state and matching federal funds.

That \$19 million would literally save thousands of children like Helen D.

Does this state legislature have the moral depth and the guts to correct a decade of dismal disregard for human needs?

We'll know in the next couple of weeks.

I hope the answer is yes.

Dan Geringer's column appears Mondays and Wednesdays.



by DAN GERINGER

Linton questions state mental health policies

By **PAUL MUMFORD**
HARRISBURG, April 17

The future of some vital services for Pennsylvania's mentally ill population was the focus of concern for state Rep. Gordon J. Linton (D-200th) as he quizzed state Department of Public Welfare Secretary John White during House Appropriations budget

hearings.

An issue was what Linton later called the Welfare Department's "virtual lack of support for partial hospitalization programs statewide during the past 10 years.

"Our purpose here was to focus attention on how one of Pennsylvania's most vulnerable populations — persons with mental illness — is being affected by state reimbursement policies that continually short-change the providers of partial hospitalization services," said Linton.

Partial hospitalization programs are outpatient day treatment programs which help those with mental illness regain lost skills, learn to cope with the symptoms of their illness, improve their ability to interact with others, and develop positive self-images. The

ultimate goal is to help mentally ill patients achieve stability and become active, productive members of their communities.

Currently, partial hospitalization programs serve nearly 22,000 persons across the state, including approximately 7,500 in Philadelphia. Because more than 90 percent of partial hospitalization patients are medical assistance recipients, much of the funding for these programs comes from the state.

"However, Pennsylvania's medical assistance reimbursement rates for partial hospitalization have increased by only 50 cents an hour over the last 10 years and now rank as the lowest of any state in the nation," said Linton.

Partial hospitalization providers estimate the current rate of reim-

bursement (\$6 per hour for adults and \$7 per hour for children, or \$36 and \$43 per day) is at least \$2.50 less than what it costs facilities to provide these services.

Several groups, including the Philadelphia Coalition of Mental Health/Mental Retardation Centers Inc. have begun a grassroots campaign aimed at winning state legislative support during the current budget-making process for a \$2.50 increase in medical assistance reimbursements for partial hospitalization.

According to Linton, who earlier in his career served as counselor at a partial hospitalization facility, as a result of this severe underfunding, community mental health-mental retardation centers that provide partial hospitalization services are facing a number of

serious problems.

"Many centers are finding it virtually impossible to recruit or retain qualified staff. The fact is, many mental health/mental retardation centers staff members could earn more working in a fast food restaurant, said Linton.

He said the severe underfunding also made 1% more difficult for providers to purchase necessary supplies, or develop necessary programming for their patients.

Linton said that if partial hospitalization programs remain underfunded, services will continue to deteriorate, leading to an increase in the number of people requiring in-patient hospitalization at a far higher rate of \$250 per day.

"If only 20 percent of medical assistance clients eligible for partial hospitalization wind up being placed in inpatient facilities because of the state's failure to adequately fund these vital services, the cost to the state could easily top \$250 million," said Linton. "Unless we approve this \$2.50 per hour increase, this is the danger we will be facing.

"And while we are all aware that the Commonwealth is now dealing with a serious budgetary shortfall, there is still a danger of being penny-wise and pound-foolish. I believe that if the administration does not support this long overdue increase in the hourly rate for partial hospitalization programs, we will be risking a potential financial problem if these programs close and patients end up in in-patient programs."