

## **Mental Health Bed Capacity Proposal (Mental Health Colorado)**

### *Expanding Colorado's inpatient and residential bed capacity*

#### **Context**

In 2008, in response to the Great Recession, Colorado took steps to disinvest in its mental health inpatient bed capacity. By 2012, the state experienced the first of many lawsuits filed by Disability Law Colorado (DLC). These lawsuits have been in response to the overwhelming number of people languishing in jails because they have been deemed incompetent to proceed due to serious mental illness and must wait for a state inpatient bed to become available for restoration to competency. Since 2019, the state has been under a consent decree with DLC which stipulates that the State will pay up to \$10M each year in fines if people continue to wait beyond a specific time period for a bed. The state has invested tens of millions to build its way out of a lawsuit – with more and more beds coming online for the forensic population, or people involved in the criminal justice system who have been found incompetent to proceed. No significant new funds have been dedicated to developing more capacity in civil inpatient and residential beds. Scarcity of bed availability for civil patients has been the unfortunate collateral impact of the Settlement Agreement and of the State's over-reliance upon law enforcement and the criminal justice as the default response to the unmet mental health needs of a growing population of Coloradans. When people cannot access a civil inpatient bed when they need it, they are more likely to end up in the criminal justice system and contribute to the competency restoration backlog. This is harmful to the person, puts our county sheriffs in a terrible position of being our state's de facto mental health facilities and adds significant cost to the state.

There are an estimated 60 people on the discharge barriers list at both the Mental Health Institute at Pueblo and the Mental Health Institute at Fort Logan, referred to as the MHIs. These individuals experience barriers due to lack of guardianship options, lack of providers willing to accept them for outpatient certifications, and/or the lack of facilities willing and able to provide them with a bed, such as skilled nursing facilities or group homes.

Colorado urgently needs to develop sufficient residential bed capacity so that people can safely discharge from an inpatient setting, including one of the MHIs, to a lower level of care in the community. The State needs a mix of short-, medium-, and long-term residential options for people with serious mental health conditions. By developing residential mental health beds, we can open up more beds at the MHIs and address the current waitlist for a civil bed. According to one scenario outlined in a 2015 report by the Western Interstate Commission for Higher Education (WICHE), Colorado could need an additional 138 civil inpatient beds by 2025 (See Table 13 below).

Scenario Three				
Table 13: Bed Projections for Colorado Mental Health Institute Fort Logan (CMHIFL) Based on Civil Bed Reallocations, and adding new Adolescent and Geriatric Beds				
	Proposed Reallocation	Projected 2020	Projected 2025	
<b>Adolescent Beds</b>				
Population	5,363,689	5,946,128	6,449,955	
Bed rate per 100,000 persons	.54	.54	.54	
Beds	29	32	35	
<b>Adult Civil Beds – New Allocation</b>				
Population	5,363,689	5,946,128	6,449,955	
Bed rate per 100,000 pop	2.20	2.20	2.20	
Beds	118	131	142	
<b>Geriatric Beds</b>				
Population	5,363,689	5,946,128	6,449,955	
Bed rate per 100,000 persons	.86	.86	.86	
Beds	46	51	55	
<b>CMHIFL TOTAL BEDS</b>				
	Current Number of Beds	Proposed Reallocation	Projected 2020	Projected 2025
<i>(# beds added to current capacity)</i>	<b>94</b>	<b>193</b> <i>(+99)</i>	<b>214</b> <i>(+120)</i>	<b>232</b> <i>(+138)</i>
Adolescent	0	29	32	35
Adult Civil	94	118	131	142
Geriatric	0	46	51	55

Source: <https://www.nri-inc.org/media/1109/2015-colorado-department-of-human-service-behavioral-health-needs-analysis-nri.pdf>

### Proposal

We propose adding additional bed capacity at the Mental Health Institute at Ft. Logan and residential mental health beds across the state. This approach will support individuals who have been at the mental health institutes who are ready to discharge into the community and it will also create new bed capacity for individuals who need inpatient care. This increase in capacity will benefit our entire state, including jails that have been our de facto mental health facilities for far too long.

We have been thoughtful in trying to ensure new residential bed capacity includes a mechanism for billing Medicaid and therefore pulling down a federal match. We also have tried to ensure residential bed capacity is spread beyond just the Denver Metro area, while also being aware of behavioral health workforce constraints.

### Residential and Inpatient Mental Health Beds

*Please note that bed capacity and costs are estimates. The legislature would need to consult with the Department of Human Services and others to get exact cost estimates.*

Given that the state mental health institutes have an immediate need at least 100 residential beds to be able to safely discharge people into the community, we believe the State should have a goal of creating 200 residential beds statewide. These facilities would serve not only people leaving the MHIs but also people transitioning from hospitals or other facilities. We recommend the state prioritize locations that are under 16 beds, which will allow the state to bill Medicaid. At an estimated cost of \$400/day to operate instead of the roughly \$800-\$1,000/day for inpatient state hospital beds, residential beds that can draw down a federal match that would be a significant cost savings to the state.

Current situation:

- 60 people in the MHIs are ready to transition into the community at a cost of roughly \$1,000/day/person

- Estimated cost per year: \$22 million

Residential:

- 60 people in residential care with a 50% federal match (\$400/day with 50% federal match)
- Estimated cost per year: \$4.3 million

If the state uses ARPA funding to increase residential levels of care, more people would be able to live in the community at a significantly lower cost to the state.

#### **Option A: Renovate Vacant I/DD Group Homes**

Renovate up to 10 group homes that were formally used for people with I/DD throughout the state including Pueblo County, Wheat Ridge, Larimer County, Mesa County, and Colorado Springs. There are likely 3 group homes available for renovation that are currently owned by the State, and potentially others that could be purchased or leased from private providers.

Housing Type: residential, civil

- Estimated cost: \$500,000 - \$1M in renovation costs per home
- 6 homes: \$5M - \$10M
- Capacity: 80 beds

#### **Option B: Renovate Cottage on Ft. Logan Campus**

There is existing capacity on the Ft. Logan campus that could be brought up to code at a relatively low cost. It is unknown if the IMD federal rule would apply but nonetheless, it is a viable option for those discharging from CMHIFL.

Housing Type: residential, civil

- Estimated cost: up to \$4M
- Capacity: up to 16 beds

#### **Option C: Utilize Other State Buildings for Residential Homes**

The state, including CDHS, has a significant number of buildings that are currently offline. It may be financially cost-prohibitive to build new facilities and would make more sense to utilize the capital the State currently has to expand residential capacity. Mental Health Colorado would need to work with DPA and CDHS to fully understand options available. However, we would recommend setting aside funding and giving legislative authority to CDHS to use funds to upgrade state facilities that are currently offline. We suggest the state allocate \$15M to CDHS to upgrade facilities to open up to 50 residential beds.

Housing Type: residential, civil

- Estimated cost: up to \$15M
- Capacity: up to 50 beds

#### **Option D: Ridgeview Youth Services Center**

The Department of Human Services owns Ridgeview Youth Services Center in Watkins, CO. This campus has 500 beds. The campus has historically operated with a low census due to efforts to make sure youth involved in child welfare and the juvenile justice system are served in the least restrictive setting and as close to their family and community as possible. The State could repurpose a number of beds at Ridgeview to be used for residential step-

down or competency restoration beds for individuals who do not require an inpatient level of care but who may need further supports and services. Given the location of Ridgeview and lack of access to employment, community-based services, and transportation we do not recommend the state solely look at capacity at Ridgeview. Only investing in Ridgeview would mean residential capacity would only be available in the Front Range.

Housing Type: residential, civil and forensic

- Estimated cost: \$10M
- Capacity: 50 beds

***If the state pursued Options A, B, C and D we estimate the cost would be 39\$M to create 196 new state-run residential beds available to all Coloradans in the state.***

#### **Option E: Renovate Building on Ft. Logan Campus Currently Being Used for Training**

The State is currently using a building on the Ft. Logan campus for training. With one-time funds, the State could renovate the building to increase inpatient beds. Mental Health Colorado does not recommend building a new state hospital outside of the Denver-metro area due to significant workforce constraints. The workforce in Pueblo is strained as is with the number of beds at CMHIP. We suggest that inpatient beds be increased at Ft. Logan.

The State will need to submit a budget request to operate these new inpatient beds. The new inpatient beds would also be considered an IMD and would not be eligible for a federal match through Medicaid. However, given the State's current mental health crisis, we believe this investment is imperative.

Housing Type: inpatient, civil

- Estimated cost to renovate: \$4M
- Capacity: 16 beds

#### **Option F: New State Hospital Beds**

Given the space on the Ft. Logan campus and availability of the workforce, there is room to build new beds that could accommodate individuals with more complex issues; including juveniles, people with co-occurring conditions like substance use, traumatic brain injury, and an intellectual or developmental disability. We recommend the state explore building new inpatient capacity that could help accommodate these populations.

Housing type: inpatient, civil

- Estimated cost: \$72M
- Capacity: 48 beds

#### **If the State decided to invest in Options A-F**

- New residential beds: 196 beds statewide
- New civil inpatient beds: 64 (currently only 94 civil beds at CMHIFL)

***Total capital funding needed: \$115M***

#### **Recovery**

We *highly* recommend that any investment in residential and inpatient capacity be paired with a strong investment in recovery services. If the state invests a significant amount of funding to *get* people well, we believe services that *keep* people well should also be developed.

We recommend the state invest \$50M to build and support recovery and sober living homes, peer respite homes, club house models, crisis respite, Recover Support Services Organizations, and Recovery Community Organizations and other recovery oriented services that are available statewide.

**Total Request: \$165M**