

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: June 10, 2019

TO: Supervisor Theodore Lipscomb, Sr., Chairman, Milwaukee County Board of Supervisors

FROM: Mary Jo Meyers, Director, Department of Health and Human Services
Prepared by Michael Lappen, Administrator, Behavioral Health Division

SUBJECT: **An informational report from the Director, Department of Health and Human Services, regarding the Universal Health Services' proposal to build a behavioral health hospital and an update on crisis services redesign**

Issue

The Department of Health and Human Services is responding to a request from the Milwaukee County Board regarding an update on the plans to build a behavioral health hospital and crisis redesign project being undertaken by the Behavioral Health Division (BHD).

Background

Beginning in September 2014, BHD was directed by the Milwaukee County Mental Health Board (MCMHB) to explore options for replacing the Acute Inpatient Hospital currently operated by BHD. Over the next four years, several options were explored. After a lengthy due diligence period, a single national operator, Universal Health Services (UHS), remained as a potential bidder to serve as BHD's Receiving Facility under Chapter 51 for people in need of involuntary inpatient psychiatric care.

On February 22, 2018, MCMHB directed BHD Administration to move forward with formal negotiations with UHS and on September 26, 2018, the MCMHB approved a contract with UHS. Over the next few months, there were some edits required to the contract including some clarifying language on when the contract rates could be raised, and the contract was finally executed on February 15, 2019. The new facility is anticipated to open in January 2021.

In October 2018, the Director for the Department of Administrative Services (DAS) submitted an informational report (File No. 18-748) to the County Board providing an overview of the UHS contract. In April, BHD Administrator provided a report to the County Board on the oversight and standards BHD has established for the UHS contract (File No. 19-336). The report indicated that

the offer to purchase the land was pending and was expected to be complete by the end of April 2019.

Proposed Facility and Location

On June 3, it was reported locally that UHS applied to purchase a city-owned parcel in the City of West Allis for the new psychiatric hospital. The application confirmed that the new facility would be located approximately at 68th and Mitchell Streets in West Allis.

Pending West Allis Plan Commission and Common Council approval, the new 120-bed facility will include five distinct units, including three, 24-bed distinct adult units, a dedicated adolescent unit and a specialized older adult unit. The new facility, as with all hospitals, will operate in an extremely closely regulated industry, and will have to stand up to regular reviews by State, Federal, and Joint Commission surveyors.

The new facility is expected to create between 250 and 300 new jobs, including physicians, nurses, clinicians, mental health technicians and support staff. UHS projects that the new facility will have a \$80.1 million impact in total income, \$28.8 million in personal consumption, and will pay \$11.3 million in direct total income to employees. BHD is working diligently to communicate with staff during this transition. UHS has already made efforts to engage BHD inpatient workforce and anticipates hiring many of the existing staff as County inpatient utilization is transitioned to the new UHS facility in 2021.

Psychiatric Crisis Redesign

For the past decade, the Milwaukee County Behavioral Health Division (BHD) has been engaged in a long-term transition to a more community-based continuum of care for residents needing mental health and substance use treatment and services. As the latest phase of this process, the County decided to close the Milwaukee County Mental Health Complex (MHC) inpatient units and contract with a private provider for inpatient behavioral health services. The MHC is also the site of the BHD-operated psychiatric emergency department and observation unit known as Psychiatric Crisis Services (PCS). With the shift to contracted inpatient units, it no longer makes programmatic or financial sense for BHD to operate a freestanding PCS at this site.

A public/private partnership between BHD and private health care systems took the transition as an opportunity to reflect on the psychiatric crisis redesign system across Milwaukee County and consider the future of the system. The Wisconsin Policy Forum (WPF) and Human Services Research Institute (HSRI) facilitated the Phase 1 of the Psychiatric Crisis Redesign process in December 2018, including the release of two documents: an Adult Planning Summary and an Environmental Scan of best practices.

Phase 2 of Psychiatric Crisis Redesign kicked off in 2019 Q1, and its purpose is to move the conceptual model developed in Phase 1 into due diligence and implementation planning. Phase 2 has been led by a public/private Steering Committee, and its purpose is to develop operational

and financial models, as well as an implementation timetable, for the different components of the redesigned psychiatric crisis system. The group began work with a technical analysis of the future dedicated psychiatric ER and engaged with Wipfli Consulting to support that work. Full implementation of the new model is expected sometime in 2021.

Recommendation

This report is informational and no action is required.



Mary Jo Meyers, Director
Department of Health and Human Services

cc: County Executive Chris Abele
Raisa Koltun, County Executive's Office
County Supervisor Supreme Moore-Omokunde
Tom Lutzow, Chairman, MCMHB
Steve Cady, Research Director, Comptroller's Office
Joshua Scott, Fiscal & Management Analyst, DAS
Lottie Maxwell-Mitchell, Research & Policy Analyst, Comptroller's Office