

January 8, 2008

Julie Sonier  
Director of Health Economics Program  
Minnesota Department of Health  
Box 64882  
St. Paul, MN 55164-0882

Dear Ms. Sonier,

Fairview is an integrated health care provider headquartered in Minneapolis and serving Minnesota residents across the eastern third of the state. In partnership with the University of Minnesota, we are committed to medical research, education and patient care. Fairview Behavioral Services is the largest behavioral health care provider in this area. We have 306 total beds in the Minneapolis/St. Paul Metropolitan community. We provide a full continuum of counseling services, intensive outpatient, day treatment and partial hospital programs. We also provide specialty care for gambling, chemical dependency treatment for the deaf and hard of hearing and mental health services for pastors from across the country. Fairview understands well the need for improvement to the behavioral health care system. It is our depth of experience in providing care and partnering with others in the private and public arenas that directs our energy toward creative, new models of improvement rather than the tried and failed systems of the past.

Fairview is concerned the proposed 144 bed acute psychiatric hospital in Woodbury directs much needed resources to the wrong end of the care continuum. We believe improved access to service should first be directed toward intervention at early stages of illness and toward specialty services appropriate to the diagnosis. Minnesota would best be served by a system of behavioral care which provides access to the right care in the right setting by the right provider at the right time for each patient in need.

In response to the public notice, I would like to address four issues.

**Whether the new hospital is needed to provide timely access to care or access to new or improved services.**

Mental health and chemical dependency services can be timely, high-quality and cost effective when the right care is available in the right setting by the right provider at the right time. Initially, it may appear adding additional beds would provide greater access for patients. We believe that is untrue and may, in fact, exacerbate the overall vulnerability of the behavioral health care infrastructure in the state.

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Current statistics are staggering:

- 80% of psycho-pharmaceutical medication is prescribed by non-psychiatrists.
- 92% of the elderly receive behavioral health care in primary care settings by providers not specifically trained in behavioral health.
- Only 1 in 4 patients referred to a specialist for behavioral health care receives that care.
- 38 Minnesota counties have no psychiatrist.

This is just a sampling of facts we believe demand a fundamental change in the care model structure and not the reprise of old solutions, such as increasing patient beds, that have repeatedly failed patients. Acute care general psychiatric beds, even when developmentally assigned by age, are often poor interventions for patients with autism, reactive attachment disorder, borderline personality disorder and many others. It is the inadequate provision of care alternatives at earlier stages of illness that created the demand for a level of service that is the most expensive and generally not the most appropriate care for a given diagnosis.

Providing more effective, integrated care at the primary care level could move Minnesota into a leadership role, creating a best practice model of care for mental health and chemical dependency services and reducing the demand for inpatient admissions. A model based on levels of integrated care is in patients' best interest. Such an innovative care delivery model would provide better, safer care for patients and improve patient outcomes. Creating a primary behavioral health care model will have large population impact. Minnesota, consistent with the entire country, lacks providers – clinically trained psychiatrists, clinical nurse specialists, psychiatric nurse practitioners and chemical dependency counselors. An integrated health care provider team would increase access for patients faster, caring for patients before they reach crisis stage and need inpatient care.

When a tragic circumstance grabs local headlines the discussion often turns to bed availability even when that was not a determinate in the situation. Unfortunately, solutions which are higher quality, community based, less expensive and frequently preventative in nature are discounted.

**The potential financial impact of the new hospital on existing acute-care hospitals that have emergency departments in the region.**

Fairview is concerned the proposed 144-bed behavioral services hospital in Woodbury will have a negative impact on behavioral health care in Minnesota. We believe it will draw providers from existing programs, cause a negative financial impact on existing programs, potentially close some of those programs; and reduce the overall services available to Minnesotans in need of behavioral health care. As a nonprofit healthcare

provider, Fairview treats patients regardless of their ability to pay. We have recently opened a special Behavioral Emergency Center on the University of Minnesota Medical Center, Fairview's Riverside campus to more appropriately serve behavioral patients in crisis. Fairview has done the right thing for patients and the community with this model of care while absorbing reduced financial performance. With this model, we are able to:

- Deliver specialty mental health assessment and intervention service within the emergency room and use network scheduling to community providers to determine and access appropriate patient treatment.
- Use beds for patients who truly require constant supervision and a locked, secure environment.
- Discharge patients who do not require a locked setting in order to receive care within their community on a next-day basis.
- Provide crisis intervention and stabilization in a space uniquely designed for this purpose separate from other emergency room functions.

Using this new approach, our inpatient units are admitting patients with the highest levels of acuity, adding staff to ensure safety, caring for more chronically mentally ill patients, experiencing longer lengths of stay as these patients proceed through the commitment process and wait for community or state services which often don't adequately exist. Innovative new care models such as this one must not be undermined by expansion of the wrong services. We believe support of Prairie St. John's proposal will:

- Increase to existing programs the number of referrals who are uninsured or have hit their maximum mental health/chemical dependency benefit. Prairie St. John's currently has partial outpatient services in Minnesota. In our experience, their referrals to our programs currently fall into these categories of uninsured or at benefit limits. Their referrals share the characteristics of high acuity, high risk and lack of insurance.
- Increase the number of government pay patients which is already 53% of our total charges.
- Greatly jeopardize our ability to maintain the beds and programs we currently have – the largest set of services in the state.

**How the new hospital will affect the ability of existing hospitals in the region to maintain existing staff.**

Prairie St. John's proposal indicates 6 new psychiatrists and 65 additional health care staff would be required to open phase one of the project; and a total of 9 psychiatrists and 97 staff would be required by the end of phase two. The most common reason we divert a behavioral health patient is the lack of a psychiatrist to staff a patient bed, not the lack of an actual, physical bed. Consequently, the staff needed for a new facility, threatens existing programs because:

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- A serious shortage of psychiatrists currently exists in Minnesota, particularly in child and adolescent psychiatry and those dedicated to serving patients in a hospital setting which is higher risk and negatively impacts the physician's life style.
- Psychiatrists moving to outpatient practice continues to erode current staff.
- Retirement of psychiatrists also erodes staff. Many of Minnesota's psychiatrists are nearing retirement.
- Prairie St. John's is already recruiting both physicians and team members from existing programs.

Again using innovative methods, Fairview has employed seven psychiatrists over the past year to offset attrition. To achieve this, we recruited from across the nation. We don't believe it will be possible to replace these psychiatrists if they are hired away by the new facility. These hospitalists are critical to ability to serve patients as they guarantee consistent bed staffing and, therefore, bed availability. However, we continue to have unmet provider needs in many child and adolescent areas as well as in our chemical dependency programs. Continued erosion of our staff will further limit our ability to accept patients and keep programs open and beds staffed.

**Extent to which the new hospital will provide services to nonpaying or low-income patients, relative to the level of such services provided by existing hospitals in the region; and view of affected parties.**

According to information from your office, the proposed Prairie St. John's facility will not be a medical assistance provider for adults. Prairie St. John's calculated its charity care at \$345,137 or 1.4% of its operating budget. However, what constitutes this calculation may not be consistent with Minnesota charity care guidelines.

The Minnesota Department of Health, the Minnesota Attorney General's office and the Minnesota Hospital Association recently defined charity care guidelines for Minnesota health care organizations, eliminating bad debt from that definition. It is not clear that Prairie St. John's, a for-profit organization headquartered outside Minnesota, follows those same guidelines.

Additional restrictions on patients who would receive care in this new facility pose significant risk to existing community programs.

- Page 5 of the proposal addresses the community need for chemical dependency detoxification facilities. The proposal states that these services will only be provided within general medical limitations. Therefore, addicts, severe alcoholics and patients with multiple medical diagnoses would not be treated at this proposed facility. Rather, they would be referred to existing community programs.

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- Many with addictions, severe alcoholism and patients with dual chemical dependency and medical diagnoses are only eligible for consolidated funds, a government program with very limited reimbursement.
- Patients requiring longer term or residential care due to the severity of their illness will not be accepted. Availability of behavioral longer term care is a serious current gap in service that this proposal fails to address.

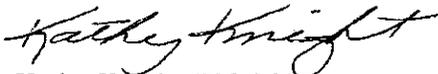
### **Summary**

Minnesota residents needing mental health and chemical dependency services drive Fairview's concern about Prairie St. John's proposal to expand inpatient behavioral beds in the Twin Cities metropolitan area. We believe it is fundamentally a flawed approach to the access concerns in behavioral health care. We also believe it will draw providers from existing programs; cause a negative financial impact on existing programs, potentially close some of those programs; and reduce the overall services available to Minnesotans in need of behavioral health care – patients afflicted with mental illness and/or chemical dependency.

We believe a better public policy would be to strengthen our behavioral health care infrastructure by calling on local experts who daily face patients in need and who understand the intricacies in providing the best possible care for Minnesotans. We believe innovative approaches to treating patients with the right care in the right setting by the right provider at the right time is a better alternative than building a new facility directed at the highest and most expensive level of care. Integrating behavioral care into the primary care model in patients' home communities increases access to mental health care by trained personnel who can complement the family practice and internal medicine physicians in providing care for the whole patient.

Thank you for giving Fairview the opportunity to respond to this proposal. We welcome the opportunity to be part of a community wide effort to move new, innovative care models forward. If you have questions or would like additional information on our comments, please contact me directly at 612-273-1184 or [kknight1@fairview.org](mailto:kknight1@fairview.org).

Sincerely,



Kathy Knight, RN, MA  
Vice President, Fairview Behavioral Services  
Fairview Health Services