

Psychiatric Observation: Making Money from Psychiatric Boarders

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Learning Objectives

- To understand admission criteria for psych patients
- To review the psychiatric observation/crisis stabilization units
- To exam the model CSU

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Regionalization of Acute Psychiatric Care

Wang, H, Stone, A. Effects of regional psychiatric emergency service on boarding of psychiatric patients in area emergency departments. West J Em 2014;16:1-6

- Prior 30 day period efforts have focused on increasing inpatient beds
- Alternative is prompt access to treatment
- Evaluate and treatment patients in a given area and take patients from EDs
- 30 day period examined all patients from 5 EDs on voluntary holds
- 144 patients had average boarding time of 1 hour and 48 minutes
- 24.8% were admitted

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Benefit of Psych OBS

- Reduction in admissions
- Gain in earlier functional independence
- More immediate use of community resources
- Higher level of patient satisfaction
- Promoted better coordinated care

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Requirements of Psych OBS

- Focus on acute psych care
- Segregated unit
- Inclusion and exclusion criteria
- Appropriate physical plant
- Appropriate trained personnel
- Treatment protocols
- Security and safety measures
- Psychiatric resources
- Available community mental health resources

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Model Admission Criteria

1. Age: Patients must be ≥ 18 years old
2. Manage their own Activities of Daily Living
3. Treatment Criteria: psychosis, depression, mania, suicidal ideation, or other psychiatric disorder.
4. Medical Evaluation: medically stable
5. Cognition/Judgment: Patient's judgment and impulse control must be appropriate
6. Cooperative compliant with staff direction and treatment modalities
7. Managed aggressive behavior

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OBS Treatment

- Most are primarily focused on medications
- Need to involve social work, case management and discharge planner
- Few provide any non-meds treatment
- Family involvement
- Provide peer support services
- Connection to other services

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Reimbursement

Medicaid

- All inclusive bundled billing around \$100 per patient per hour, up to a max of 20 hours.
- No pro fees or other charges
- Crisis stabilization code S 9484

Medicare

- Unscheduled psych eval-very poor reimbursement

Private insurers

- Negotiated per-diem rate
- ACOs

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Payment for Psychiatric Observation

Kansas

- Effective with dates of service on and after July 1, 2017, procedure code S9485 will be used for psychiatric observation.
- Reimbursement will be made for up to three consecutive days.
- At the end of that time, if patient is not admitted to the hospital or discharged, no additional payment will be made.

- Illinois \$27 per day
- California approx. \$100 per hour

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Model Revenue Estimate

Not actual numbers for illustrative purposes

	Rate	Patients/Day	Total
Professional Fee			
MD	\$20	6	\$43,800
APN	\$130	6	\$284,700
Hospital Fee			
OBS for < 8 hr.	\$942	6	\$2,062,980
OBS for 8-23 hrs.	\$87/hr.		
Total			\$2,391,480

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Model Cost Estimate

Not actual numbers for illustrative purposes

	Hourly rate	FTE	Dollars
Psychiatrist	\$82	.5	\$85,280
Nurse Practitioner	\$41	2.5	\$213,200
Psych RNs	\$32	5.5	\$366,080
Mental Health Tech	\$16	5.5	\$183,040
Public safety officer	\$12.5	5.5	\$143,000
Total			\$990,600

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Most Important Fiscal Impact

- Reimbursement dollars are at OBS rates
- Contracts with HMOs/ACOs to reduce psych admission rate
- Reduction of psych boarding time in ED
- Increase bed turnover – revenue enhancement

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Potential Obstacles and Concerns

- Reduces admission rate into the psychiatric unit
- Finances do not add up
- Lack of support and supporting services
- Cannot locate space
- Cannot hire enough psychiatric midlevel providers

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What are you waiting for?

- Is it time to start a psych OBS unit in your ED?
- Need
 - Plan 90-120 day start up time
 - Space
 - Personnel
 - Psychiatry services
 - Community resources
 - Policies

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Contact Information

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PES. REGISTER EARLY NEXT YEAR. THIS EVENT WILL SELL OUT!

SCAN ME

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