STATE OF KANSAS

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GOVERNOR LAURA KELLY

EXECUTIVE ORDER NO. 23-05

Establishing an Advisory Panel for Planning, Design, and Construction of a Regional Psychiatric Hospital in South Central Kansas

WHEREAS, the Kansas mental health system has an urgent need for additional in-patient psychiatric beds, and the criminal justice system has a need for more timely forensic evaluations and treatment;

WHEREAS, a lack of psychiatric beds is one of the largest barriers that prevents Kansans from accessing mental health resources;

WHEREAS, Kansas has a need for increased competency evaluation and competency restoration services pursuant to K.S.A. 22-3301 *et seq*., to reduce wait times for defendants to obtain such evaluations and treatment;

WHEREAS, Kansas currently operates state psychiatric hospitals in Osawatomie and Larned, pursuant to K.S.A. 39-1601, *et seq.*;

WHEREAS, the Kansas Department for Aging and Disability Services (KDADS), on behalf of the State of Kansas, has entered into an agreement with Sedgwick County to provide funding for planning, design, and other services for the construction of a regional psychiatric hospital in south central Kansas; and

WHEREAS, there should be an open and public process documenting discussion of stakeholders and decision-makers when gathering community input and making recommendations regarding a hospital.

NOW, THEREFORE, pursuant to the authority vested in me as Governor of the State of Kansas, I hereby establish the South Central Regional Psychiatric Hospital Advisory Panel ("Advisory Panel") and order the following:

1. The Advisory Panel shall consist of no more than 14 members selected by the Governor.
2. All members of the Advisory Panel shall serve at the pleasure of the Governor.
3. The Chair of the Advisory Panel shall be selected by the KDADS Secretary from the Panel's membership. The Vice Chair of the Advisory Panel shall be selected by the Chair of the Sedgwick County Commission from the Panel's membership. The Chair of the

Advisory Panel may establish rules for the meetings and conduct of business of the Advisory Panel. Upon the absence or vacancy of the Chair, the Vice-Chair shall serve as Chair in an acting capacity.

4. Monthly meetings shall occur in Sedgwick County, and the Advisory Panel shall engage stakeholders to elicit feedback on the needs and location of a regional psychiatric hospital.

5. Members shall receive no compensation or reimbursement for expenses and shall serve voluntarily. Officers or employees of state agencies who are appointed to the Advisory Panel as part of their duties shall be authorized to participate on the Advisory Panel and may claim subsistence, allowance, mileage, or associated expenses from their respective agency budgets as permitted by law.

6. Plans, reports, or recommendations adopted by the Advisory Panel shall be considered advice to the Governor, KDADS, and the County and shall not be construed as official policies, positions, or interpretations of laws, rules, or regulations by any department or agency of the state and County government, nor shall any department or agency be bound in any manner to consider such advice when conducting their advisory and regulatory business.

7. An interim report shall be made to the Sedgwick County Commission and the Governor of the State of Kansas by January 15, 2024, with a final report due by June 30, 2024.

8. The Advisory Panel shall be tasked with, the following tasks in order:

    a. Gathering public input on the needs and location for a regional psychiatric hospital, including how a state hospital would fit into existing services or planned services in Sedgwick County and south central Kansas, and researching existing resources, gaps to services, barriers to care, including affordability and accessibility, and opportunities to improve access to and delivery of mental health services in south central Kansas. The Advisory Panel shall consider the public input received and research conducted in making its recommendations under this Executive Order.

    b. Making recommendations on workforce development needed to staff a regional psychiatric hospital and other service providers in south central Kansas in response to adding acute psychiatric hospital beds in the region, including but not limited to recommendations for training programs, talent pipelines, and recruitment and retention strategies.

    c. Making recommendations about the operating model for a regional psychiatric hospital to the Governor regarding integration with existing mental health services in Sedgwick County, the other state hospitals, and acute health care services.

    d. Recommending statutory changes needed to operate a new state hospital including changes to catchment areas, scope of practice, and cooperation with other service

providers in time for the 2024 legislative session through the interim report due January 15, 2024, and the 2025 legislative session, through the final report due June 30, 2024.

9. At the direction of the Chair and Vice-Chair, the Advisory Panel may form subpanels composed of members of the Advisory Panel to assist the Advisory Panel in carrying out its tasks under this Executive Order.

10. The Advisory Panel, and any subpanel of the Advisory Panel, shall be subject to the Kansas Open Records Act and the Kansas Open Meetings Act.

This document shall be filed with the Secretary of State as Executive Order No. 23-05. It shall become effective immediately and remain in force until March 31, 2025.

THE GOVERNOR'S OFFICE BY THE GOVERNOR Laura Kelly

DATED 8.25.23

FILED
AUG 25 2023
SCOTT SCHWAB
SECRETARY OF STATE

Scott Schwab
Secretary of State

Assistant Secretary of State

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") serves to memorialize the current understanding between the Board of County Commissioners of Sedgwick County, Kansas ("County") and the Kansas Department for Aging and Disability Services Secretary ("KDADS") with regard to the funding, acquisition, and construction and/or improvements of what is intended to be a psychiatric hospital operated by the State of Kansas within Sedgwick County, Kansas. County and KDADS (collectively "the parties") understand and acknowledge that this MOU is not a binding agreement and is merely an expression of intent for the parties and that subsequent actions and/or agreement(s) may be required to complete the full intent expressed within this MOU.

WHEREAS, pursuant to K.S.A. 39-1601, *et seq.*, the State of Kansas operates state psychiatric hospitals in Osawatomie and Larned;

WHEREAS, there is a need within Kansas for increased state psychiatric hospital services, for addressing serious mental health needs pertaining to care and treatment matters pursuant to K.S.A. 59-2945, *et seq.* where individuals are a danger to themselves or others;

WHEREAS, there is a need for increased competency evaluation and competency restoration services pursuant to K.S.A. 22-3301 *et seq.*, to reduce the wait times for defendants to obtain such evaluations and treatment;

WHEREAS, the COVID-19 pandemic exacerbated the already substantial mental health services needs within Kansas and also South Central Kansas, meaning that there is a need for increased capacity to close service gaps within the continuum of care;

WHEREAS, there is a particular regional need in and around Sedgwick County for services provided by the state psychiatric hospitals and the process outlined within this MOU could increase access to care and necessary services in the long term;

WHEREAS, County's 2023 Legislative Platform specifically indicates that the County supports a state psychiatric hospital with a bed capacity of at least 50 within South Central Kansas;

WHEREAS, an additional state psychiatric hospital would be beneficial for the criminal justice system and the acute, inpatient psychiatric services within Kansas; and

WHEREAS, this MOU is consistent with recommendations from the 2021 Special Committee on Kansas Mental Health Modernization and Reform, recommendations included in the FY 2023 Governor's Budget Report for a regional state psychiatric hospital and the recommendation of the Special Committee on Mental Health Beds that was established in 2022, and also comments made by legislators serving on such committee.

1. <u>Purpose; General Overview</u>. The purpose for this MOU is to outline an understanding between the parties as to the process for the establishment of a state psychiatric hospital (as described within K.S.A. 39-1601, *et seq.*, K.S.A. 59-2945, *et seq.*, K.S.A. 22-3301 *et seq.*, and any other applicable statutes) within Sedgwick County. Such hospital would have at least 50 beds with the potential to expand to up to 100 beds. At a minimum, 25 of the beds would be to serve acutely ill, civilly committed patients and 25 beds would be for forensic competency treatment services. The

State of Kansas, through its budgetary approvals, various agencies, and with whatever funding sources may be available and designated by the State, will provide funding to the County to acquire property and construct or modify a building to serve as a state psychiatric hospital. The County will then deed the real property and accompanying facility to the State of Kansas. The State of Kansas will then be responsible for operating and staffing the state psychiatric hospital.

2. **Funding.** The funding for this project will come from several funding sources for the County to complete actions indicated within this MOU and for the State of Kansas to operate the proposed state psychiatric hospital. While the parties recognize that additional actions may need to occur, the contemplated funding sources include, but may not necessarily be limited to:

A. $15,000,000.00 within the KDADS 2023 fiscal year budget specified for additional state psychiatric hospital capacity included in the FY 2023 Governor's Budget Report, and released by the State Finance Council;
B. Approximately $25,000,000.00 for a grant that may be awarded by SPARK Executive Committee to KDADS to expand statewide health and behavioral health services to close service gaps in the continuum of care and expand workforce, all consistent with a letter of interest submitted by Sedgwick County in 2022 and any subsequent application for the funding submitted by the County to KDADS for SPARK funding; and
C. $15,000,000.00 recommended by the FY 2024 Governor's Budget Recommendation for KDADS for the specified regional state psychiatric hospital capacity as contemplated in this MOU.

In total, it is estimated that the contemplated funding from the State of Kansas for the proposed state psychiatric hospital would be approximately $40,000,000.00 from Section 2.A. and B., but this is not meant to in any way act as a limitation of funding from the State of Kansas for expenses related to the establishment of a state psychiatric hospital within Sedgwick County. The State's appropriation and transfer of funding identified within this section would be a condition precedent to the County undertaking future action contemplated within this MOU. Funds in Section 2.A. may be transferred from KDADS to the County in amounts specified within one or more agreement(s) between the parties describing the work activities planned with related payment terms developed through statements of work. It is the intent of the parties that the County shall be provided with funds to complete work contemplated within this MOU and any subsequent agreements up-front prior to incurring costs for such work. The parties understand the County would generally intend to spend any funds identified within Section 2.B. of this MOU for construction, land acquisition, or remodeling costs before other funds identified within this Section.

3. **Uses for Funding.** The County will utilize any funding provided by the State of Kansas for any and all necessary expenses to achieve the purpose of this MOU. These uses would include, but not necessarily be limited to: acquisition of real property; construction of a facility or improvements to an existing facility to meet the needs of a state psychiatric hospital as outlined in this MOU; on-call realtor expenses; contracted architect expenses; outside legal counsel services; any necessary survey, platting, and zoning costs; and project management and oversight services.; and consulting services. While in-house County staff members will have significant involvement within this matter, the parties recognize that a state psychiatric hospital is a State of Kansas statutory responsibility and function. Accordingly, it is the intent of the parties that the County would not expend any County funds solely for activities completed within this MOU. Instead, the County's primary contribution within this MOU would be the utilization of in-house professionals and staff members to assist with matters including but not limited to financial management, competitive bidding, purchasing, legal

advice, and overall project management. In the event the County does not utilize funds transferred by KDADS for purposes identified within this MOU, the funds shall be returned to KDADS.

4. **Compliance and Reporting; Expenditure Tracking; Remaining Funding.** The County will follow any applicable compliance and reporting requirements that exist pursuant to law. The County will follow all applicable ARPA compliance requirements related to any SPARK grant funding awarded to the County for the project described in the MOU or in the project defined by the County for SPARK funding The County will specifically track all funds received and expended pursuant to activities contemplated within this MOU. Once all County functions have ended with respect to this MOU, if County retains any funding received pursuant to this MOU, to the extent permissible by law, such funding will be returned to the State of Kansas.

5. Responsibilities of the Parties

A. **Subject to the limits of the funding articulated in Section 2 of this MOU, KDADS will:**

a. Transfer funds to the County to pay the costs of architectural design services performed by contractors working through contracts with Sedgwick County.

b. Provide funding for any necessary surveys, platting, and/or zoning changes in relation to the acquisition or construction of the state hospital.

c. Provide the County with funding for work products up-front developed within the schedule of activities for this project. Funds will be transferred to the County pursuant to one (1) or more written agreement(s) based upon specified planned activities. Such agreement(s) may include details for County to submit certification of completed milestones and/or project activities.

d. Be responsible for the licensure, operation, staffing, and maintenance of the state psychiatric hospital after County deeds the property to the State of Kansas. The County would not be responsible for any aspects of the operational function of the state psychiatric hospital.

e. Have final approval of design, site location, construction or renovation plans prior to: selecting a site for the psychiatric hospital; purchasing a building for renovation, or beginning site preparation; construction; and/or renovation of the psychiatric hospital.

f. KDADS staff will provide project management services for the overall project to ensure completion of the project including opening the state psychiatric hospital for patients.

g. KDADS shall, in all aspects, provide reasonable and timely feedback to the County regarding completion of work so that the County can ensure completion of work within the timeframe established within ARPA and in order to provide the County with the ability to reasonably accomplish any deadlines that may be applicable to the work completed within this MOU.

B. **County will:**

a. Obtain an agreement or use an existing agreement to engage an architectural firm to develop preliminary design specifications for the state psychiatric hospital including standards for psychiatric hospitals construction from the Centers for Medicare and Medicaid Service's, accrediting agencies, input from Larned State

Hospital and Osawatomie State Hospital program managers, and facilities and building management staff from KDADS and the State of Kansas

b. Acquire real property where the new state psychiatric hospital will be built or the building to be renovated. It will either be a newly built building or an acquisition of an existing building that could be renovated to meet the specifications developed for a state psychiatric hospital.
c. Contract for or perform the requisite surveys, platting, zoning changes, or any other necessary acts to prepare the site for acquisition and construction/renovation that may be required as part of the acquisition and construction/renovation process.
d. Use a competitive bidding process for contractors or firms to perform the construction of the state psychiatric hospital consistent with applicable local and state laws.
e. Transfer the deed or any legal descriptions of the real property and facility to the State of Kansas upon substantial completion of the construction work. The transfer to the State will designate the property "as is", although to the extent possible the County intends to seek to ensure that any construction warranties would be transferable to the State of Kansas / KDADS.
f. The County may contract for specific project management task related to the design, acquisition or construction phases of the project as deemed appropriate and agreed to by the County and KDADS.

C. **KDADS and County will**
   a. Develop **a s**chedule of work products through the life of the project with assigned duties for the parties.
   b. Write a scope of work for a contractor to gather public input on the proposed design, potential site selection, and integration of a state psychiatric hospital into the Sedgwick County community and existing behavioral health and criminal justice services. If an existing state or county contract is available for this purpose, the appropriate party will engage their vendor to complete this process with the agreement of the other party.

6. <u>Additional Understandings</u>.

A. During the process of designing, acquiring and constructing/renovating the state psychiatric hospital, the County will consult with KDADS to ensure the course of action would be satisfactory to KDADS. KDADS will make any final decision on the location of the proposed state hospital and the design specifications for the proposed hospital building or renovation.
B. The parties recognize that unforeseen events or issues may arise such that this process may not be a comprehensive and precise sequential summary of activities.
C. The parties understand that future legislative changes and changes to administrative regulations will be needed to establish the state psychiatric hospital in Sedgwick County.
D. Each of the parties shall designate two (2) liaisons as points of contact for the other party.
E. In the event the parties determine that an amendment to this MOU is necessary, such amendment shall be in writing and agreed to by both parties.

F. The County can request funding from KDADS to fulfill a task or project objective with a statement of the work to be completed, an estimate of the total cost, a proposed payment schedule, and an accounting of the actual cost incurred.

This Memorandum of Understanding hereby reflects the understanding of these parties.

SEDGWICK COUNTY, KANSAS

PETER F. MEITZNER, CHAIRMAN
COMMISSIONER, FIRST DISTRICT

ATTEST:

KELLY B. ARNOLD,
COUNTY CLERK

APPROVED AS TO FORM:

Justin M. Waggoner
JUSTIN M. WAGGONER,
DEPUTY COUNTY COUNSELOR

KANSAS DEPARTMENT FOR AGING AND DISABILITY SERVICES

LAURA HOWARD
SECRETARY

Final Report of the Special Committee on Mental Health Beds to the 2023 Kansas Legislature

CHAIRPERSON: Senator Carolyn McGinn

VICE-CHAIRPERSON: Representative Brenda Landwehr

OTHER MEMBERS: Senators Rick Billinger, J.R. Claeys, Tom Hawk, and Richard Hilderbrand; and Representatives Will Carpenter, Henry Helgerson, Kyle Hoffman, Troy Waymaster, and Kathy Wolfe Moore

STUDY TOPIC

The Committee is directed to:

- Review the need for inpatient psychiatric hospital beds and develop a long-term plan to address mental health needs;
- Review the regional bed expansion plan and how the beds would be constructed;
- Review best practice for providing the operation and oversight of the expanded beds;
- Review the long-term fiscal impact of the additional beds; and
- Study and develop a plan for providing a 50-bed facility with acute inpatient psychiatric beds and adult forensic beds in the Sedgwick County regional area. [*Note:* Provisions in 2022 HB 2510 [Section 8(b)] directed the Legislature to create an interim study committee on Sedgwick County regional mental health bed expansion and prescribed committee membership requirements.]

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Special Committee on Mental Health Beds

Final Report

(*Note:* This report is supplemental to the initial and updated reports submitted to the State Finance Council in October and December 2022.)

Conclusions and Recommendations

The Special Committee on Mental Health Beds (Committee) recognizes the need for additional beds and services for individuals who require inpatient care to treat mental illness. The Committee recognizes that there is a current shortage of appropriate services for this population, which places stress on the staff and budgets of other community institutions, such as hospitals, jails, and community mental health systems. In addition to addressing the need for more inpatient beds, the Committee recognizes the need to consistently staff these beds.

The Committee recommends:

- The State Finance Council release the $15.0 million appropriated to the Kansas Department for Aging and Disability Services (KDADS) for the purpose of opening a new state hospital. The funds should be utilized to develop a specific plan for the construction and operation of a new state hospital, including the issuance of a request for proposal.

- KDADS work with Sedgwick County to open a facility in the Sedgwick County regional area with a capacity of up to 50 state institution beds. The facility should be located in an area with room for expansion to ensure additional beds can be added if needed. The project should begin within calendar year 2023. In addition, KDADS and Sedgwick County should consider whether the facility should be publicly or privately operated.

- The State Finance Council allocate $40.0 million from federal American Rescue Plan Act funds to open the 50-bed facility, as requested by Sedgwick County through the Strengthening People and Revitalizing (SPARK) Kansas Task Force.

- The Committee meet with the Board of Nursing, Behavioral Sciences Regulatory Board, State Board of Regents, universities, community and technical colleges, state agencies, private colleges, and other stakeholders to discuss the following topics:

    - Increasing the accessibility and transferability of certifications such as the Licensed Mental Health Technician, Mental Health Developmental Disability Technician, and other mental health certificates applicable to workers in state hospital settings;

    - Creating outreach and incentive programs to expand the mental health workforce pipeline, such as the creation of scholarships and public-private partnerships;

    - Reducing barriers that prevent workers from rejoining the workforce once they have retired;

- Developing a method to track the use of programs designed to promote the mental health workforce and continually evaluate their effectiveness; and

- Addressing wage disparities among mental health providers and other similar jobs.

- The Legislature appropriate up to $5.0 million to KDADS for each fiscal year to begin a two-year pilot program to reimburse hospitals for the supervision and transfer of individuals who are waiting for a state hospital bed. KDADS should then provide the Legislature with an annual report on how the funds are being used.

- The Legislature, KDADS, and the Kansas Department of Health and Environment investigate available waiver and reimbursement options that can be used to pull down additional federal funds to reimburse providers of mental health services.

- The Legislature and KDADS research how technology, such as apps, can be used to reach those facing mental health challenges and investigate current practices being used to reach individuals in crisis via technology.

Proposed Legislation: None

Background

The Special Committee on Mental Health Beds (Committee) was established by provisions in 2022 HB 2510, the omnibus appropriations bill, in Section 8(b). The Legislative Coordinating Council (LCC) later affirmed its establishment and granted the Committee five meeting days. The stated purpose of the Committee is to develop a plan for providing a facility with acute inpatient psychiatric adult beds and adult forensic beds in the Sedgwick County regional area and report any recommendations regarding such facility to the State Finance Council.

Committee Activity

The Committee met on August 23, September 29, October 27, November 28, and December 21, 2022, to hear information on mental health topics, summarized in this report. The Committee meeting on September 29, 2022, was held at Wichita State University. The December 21, 2022, meeting was held virtually.

Overview of Authorizing Legislation

An Assistant Revisor from the Office of Revisor of Statutes provided an overview of the legislation that authorizes the Committee.

A proviso in 2022 HB 2510 Section 8(b) created an interim study committee on Sedgwick County regional mental health bed expansion to develop a plan for providing a facility with acute inpatient psychiatric adult beds and adult forensic beds in the Sedgwick County regional area. The legislation directs the Committee to report any recommendations to the State Finance Council by October 1, 2022. In addition, 2022 HB 2510 Section 28(c) appropriates $15.0 million to the Kansas Department for Aging and Disability Services (KDADS) for the purpose of expanding mental health bed access in the Sedgwick County regional area.

The expenditure of these funds is subject to the approval of the State Finance Council. Following the 2022 Legislative Session, the LCC further directed the Committee to assess mental health bed capacity statewide.

History of Mental Health Services

Analysts from the Kansas Legislative Research Department (KLRD) reviewed several research documents relevant to mental health services in Kansas, including a history of mental health hospitals and services in Kansas, a document outlining pertinent recommendations made by past legislative committees and task forces, and an overview of inpatient bed numbers and funding in surrounding states. In addition, an

analyst from KLRD reviewed a funding chart with information on state mental health funding from FY 2013 to FY 2022 and a chart of bed capacity and admissions at Osawatomie State Hospital (OSH) and Larned State Hospital (LSH) over the past ten years.

The Secretary for Aging and Disability Services provided the Committee with historical information on behavioral health reform initiatives beginning with the Kansas Mental Health Reform Act of 1991 and continuing through the 2017 Mental Health Modernization and Reform Committee. The Secretary outlined a continuum of adult behavioral health care that includes state psychiatric hospitals, community inpatient care, structured care environments, community clinical services, and services dealing with prevention, assessment, and early intervention. The Secretary offered key modernization elements for the Committee's consideration, including the expansion of crisis stabilization services, State Institution Alternative (SIA) beds, and mobile competency services.

A representative of the Kansas Mental Health Coalition (KMHC) provided an overview of the 2018 and 2019 Mental Health Task Force reports and recommendations. The representative of KMHC noted that KDADS has convened many workgroups over the years to address the Kansas mental health inpatient capacity crisis, which was compounded by the June 2015 moratorium on admissions at OSH. The representative outlined some of the legislative actions that have come out of the task force reports, including the creation and funding of health homes, juvenile crisis centers, and the K-12 Mental Health Pilot Program.

State Institution Alternative Beds

The Deputy Secretary of Hospitals and Facilities, KDADS, provided an overview of SIAs, which were created in response to the moratorium at OSH. SIAs expand the number of regional psychiatric hospital beds available to serve individuals who would be eligible for admission to a state hospital. The representative of KDADS noted that the 8 regional SIA facilities authorized in the past year have served 479 adults and 699 children, and the agency continues to search for other facilities that might qualify to provide SIA services.

National Trends in Psychiatric Bed Capacity

The Senior Director of Government and Commercial Research for the National Association of State Mental Health Program Directors Research Institute (NRI), and the Executive Director, National Association of State Mental Health Program Directors, presented information regarding trends in psychiatric bed capacity. The representative of NRI summarized findings that, between 2010 and 2018, there was a 17.2 percent increase in the number of mental health beds due to the expansion of private psychiatric hospital beds and specialty-unit hospital beds. At this same time, the number of state psychiatric hospital patients decreased by 18.5 percent.

The representative of NRI noted that state policies addressing bed limits have shifted from a focus on reopening closed state hospitals to expanding services in community-based programs. This resulted in state hospitals primarily being used to treat severe psychiatric issues other than organic brain disease, intellectual disabilities, and substance abuse. Both representatives also noted that tracking of mental health beds is often incomplete because no single source tracks all psychiatric bed capacity.

Stakeholder Perspectives

Hospitals

The President of Ascension Via Christi St. Joseph (Via Christi) reviewed the need for mental health beds in south-central Kansas. The representative of Via Christi commented that the Via Christi emergency department cares for approximately 600 behavioral health patients each month and said that, when Via Christi's inpatient behavioral health beds are full, patients often must stay two days before they can be moved to a facility with the appropriate level of care. The representative noted the increasing pressure to find beds to accommodate inmates needing mental health evaluations and individuals needing treatment at OSH who are instead directed to Via Christi due to a lack of bed availability at OSH. The representative of Via Christi offered recommendations for adding mental health bed capacity, including adding inpatient behavioral-health beds at OSH and addressing workforce shortages.

The Vice President for Government Relations, Kansas Hospital Association (KHA), discussed the fiscal pressures faced by hospitals when they are required to provide accommodations for individuals in need of inpatient mental health treatment when an inpatient bed is not available. The representative of KHA noted that hospitals must often provide one-on-one observation and transportation of individuals who are waiting for a bed to become available at an inpatient facility, and hospitals do not receive reimbursement for these services.

The President and Chief Executive Officer (CEO) of NMC Health and the CEO of Kingman Healthcare Center also noted the challenges that hospitals face in providing observation and transportation services that are not reimbursed. The representatives noted that the time many of the patients wait for an inpatient bed is days, rather than hours.

The Associate Director of the Association of Community Mental Health Centers (CMHCs) said that CMHCs face similar challenges in requiring staff to address mental health needs of individuals as they await the availability of an inpatient bed. The representative offered recommendations to the Committee, including increasing state hospital capacity and building career pathways to enhance workforce development.

Kansas Counties

A representative of the Kansas Association of Counties (KAC) and a County Commissioner for Finney County testified that long wait times for beds in inpatient facilities impact the budgets of counties by increasing the funding needs for law enforcement and community mental health facilities. The KAC representative noted that this is particularly problematic for smaller communities.

Sedgwick County

Several individuals provided testimony specific to the needs of Sedgwick County, including the Chairman of the Sedgwick County Board of County Commissioners, the Sedgwick County District Attorney, and the County Manager and Deputy County Manager for Sedgwick County. All individuals spoke to the ways their respective agencies are impacted by the current shortage of beds. The representative of the Board of County Commissioners noted that the county has been working on a plan to address mental health needs for several years; he stated the current proposed project is to build a Health Science Center in downtown Wichita that will house COMCARE and the community's crisis center and offer professional training for health care providers.

Law Enforcement

A representative speaking on behalf of the Kansas Association of Chiefs of Police, Kansas Peace Officers Association, and Kansas Sheriffs Association and a representative of the Sedgwick County Sheriff's Department also noted the costs in staff time and in non-reimbursed services that are provided to individuals who are waiting for an assessment or inpatient mental health bed. The representative of the Kansas Association of Chiefs of Police recommended establishing a fund to reimburse agencies (such as law enforcement, hospitals, and community health centers) for costs incurred for providing observation and transportation for individuals who are waiting for inpatient beds.

Workforce Challenges

Sedgwick County

The Workforce Development Committee Chair for the Sedgwick County Mental Health and Substance Abuse Coalition (Coalition) presented the recommendations the Coalition has made to reduce barriers in recruiting and retaining staff. Recommendations shared include allowing reciprocity for out-of-state licensing, attracting students through professional workshops, offering incentives to bring retired professionals back to the workforce, granting emergency licenses for certain services, and increasing the use of paraprofessionals. The representative also addressed the mental and emotional toll that direct service work can have on individuals and noted that staff supports such as counseling services may help increase retention by preventing staff from becoming burned out.

State Hospitals

The Superintendent of LSH and the Acting Superintendent of OSH presented information

about the efforts OSH and LSH are taking to address the current workforce shortage. Efforts discussed included working with the University of Kansas and other state universities to provide practicum courses for master's level students and psychiatric rotations for nursing students. The representative from LSH also noted that the hospital maintains a relationship with the Fort Hays State University (FHSU) counseling program, offers paid practicums for students seeking applicable degrees, and helps foster relationships between students and workers to promote retention. The representative from LSH noted that the main challenge LSH faces is the distance between the LSH campus and the universities and housing availability near the LSH campus.

The Deputy Secretary of Hospitals and Facilities, KDADS, provided an overview of the direct-care staff at the two state hospitals, including vacancy rates, starting pay, and the use of contract companies to fill vacant positions. The representative noted that the cost to the hospital to fill a vacant position with contract staff can be three times the listed salary for the position.

The Commissioner of State Hospitals, KDADS, provided information on the training that is provided to staff at LSH and OSH. The Commissioner outlined the positions that receive specialized training and noted that training for the mental health developmental disability technician (MHDDT) position, an entry-level position at LSH and OSH, is provided by the state hospitals. It was noted there is no certificate for completion of the MHDDT trainings that can be transferred outside the state hospitals.

Community Mental Health Centers

Representatives from three CMHCs shared the challenges they have in staffing their centers. The Committee heard from representatives of Pawnee Mental Health Services, The Center for Counseling and Consultation (The Center), and High Plains Mental Health Center. Each of the representatives reported that staffing challenges have intensified recently, especially due to attrition as staff leave for private practices. The representatives noted that the transition of CMHCs to certified community behavioral health clinics (CCBHCs) may help them pay higher wages and attract staff but also noted that the increased funding has not kept up with inflation. The representative from The Center reported that a lack of housing and day care in their community contribute to workforce shortages at both The Center and LSH.

The CMHC representatives shared recruitment methods they have tried, such as offering fellowship programs, attending job fairs, and talking with high school students about career options in mental health. When asked for ways to improve workforce challenges being faced by CMHCs, the representative from High Plains Mental Health Center recommended creating a scholarship pool for students pursuing degrees above the level of a bachelor's degree and creating an expedited licensing and credentialing process to accelerate recruitment.

Mental Health Workforce Pipeline

Universities

A representative of the State Board of Regents outlined the role universities play in the health care workforce. He noted that enrollment in social work and health professional programs is declining overall; however, enrollment in psychology programs is increasing. The representative referenced some of the financial incentives that encourage students to pursue careers in health care, such as federal Perkins funds and the Nursing Initiative, which provides competitive grants to public and private nursing programs. The representative also offered suggestions for the Legislature, such as reviewing the appropriation to the Nursing Initiative and comparing salary information for health care professionals in other states.

The Executive Dean of the University of Kansas (KU) School of Medicine (Dean) reviewed the medical school pathway for an individual to become a psychiatrist, which includes a four-year medical program, a four-year psychiatry residency, and a one-to-two-year post-residency specialty fellowship. The number of psychiatric residents has continued to climb nationally, but rural areas are having difficulty in attracting students to apply for residencies in their areas. The Dean recommended expanding the Rural Scholars program and starting a child-adolescent psychiatry

program in Wichita to facilitate more psychiatry students and doctors practicing in rural areas.

Community Colleges

The Executive Director of the Kansas Association of Community College Trustees (Director) reviewed the programs offered by community colleges that contribute to the mental health workforce. The Director referenced the Kansas Promise Scholarship as a channel for increasing the health care workforce, noting that 51 percent of the scholarship funds are awarded to individuals pursuing health care careers. The Director outlined a list of areas for exploration (*e.g.*, allowing KDADS employees to receive college credit for their mental health training) and changes to avoid (*e.g.*, decreasing the per-credit-hour reimbursement rate for health care programs).

Technical Colleges

A representative of the Kansas Association for Career and Technical Education noted that, although none of the technical colleges offer specific curricula related to mental health, seven of the Kansas technical colleges address a variety of basic health care services (*e.g.*, health care administration, registered nurses, home health) that can serve as entry into the mental health field. The representative also noted that over 80 percent of the students who graduate from these programs continue to live and work in Kansas upon completing their programs.

Board of Nursing

The Executive Administrator of the Board of Nursing provided an overview of the educational and training requirements for the various levels of nursing. The Executive Administrator noted that having several levels of nursing certifications allows individuals to obtain the level that works for them at that time, with the option to return and continue working toward a higher level. She recommended that faculty and clinical sites for nursing students be increased so instructors can effectively teach more students.

How Other States are Addressing Workforce Challenges

Representatives from the Center for Health and Research Transformation presented highlights from their report titled *The Behavioral Health Workforce in Rural America: Developing a National Recruitment Strategy.* This study includes interviews with subject matter experts in 47 states with the intent to learn successful recruitment and retention strategies for the behavioral health workforce. The representatives reported on key findings, including which types of recruitment and retention programs are most effective. They also found that most experts agreed that an increase in Medicaid reimbursement rates and higher wages will have a positive impact on the workforce, and that an investment in programs such as loan repayment, scholarships, and increasing residency slots may help support recruitment in rural areas. Other topics they addressed included changing certification requirements to encourage earlier entry into practice and adjustments to improve work-life balance.

Hospital Funding

Two individuals provided information on the differences between publicly funded hospitals and privately funded hospitals. The first individual, a retired hospital administrator, noted that staff recruitment in rural areas is difficult and should be considered when deciding where to place a hospital. The Lobbyist/Coordinator for the Kansas Mental Health Coalition offered several recommendations to consider when planning for inpatient hospital treatment, including investing in the current state hospitals, accelerating certification for Crisis Intervention Centers, and pursuing a complex, balanced program that will bring a wide range of resources and viewpoints.

Insurance Reimbursement for Services Provided

The Medicaid Institution for Mental Disease Exclusion

The Commissioner of Behavioral Health Services, KDADS, reviewed the Medicaid institution for mental disease (IMD) exclusion that prevents facilities that have more than 16 beds and are primarily serving individuals diagnosed with mental disease or substance use disorders (SUD) from receiving Medicaid reimbursement for their services for individuals between the ages of 21 and 65 years of age. KDADS and the Kansas Department of Health and Environment have successfully sought an exception for patients in SUD facilities but are still developing the

implementation and evaluation plans needed to submit an application for a similar exemption for IMD patients.

Reimbursement for Mental Health Services

The President of Via Christi provided information on the reimbursement rates of Medicaid, Medicare, and private pay insurance companies for inpatient mental health services. The representative noted that reimbursement rates for Medicaid do not cover the costs for providing the services and, while private insurance companies often pay higher rates, they have not been increased for several years, even as the cost of care has risen. The representative requested the Committee consider a 10.0 percent increase in Medicaid reimbursement rates for inpatient and outpatient mental health services.

The Executive Director of COMCARE provided testimony on insurance reimbursement for outpatient mental health services. The representative noted the time-consuming nature of paperwork required for Medicare and Medicaid, as well as the challenge that Medicare reimburses only for services provided by the highest level of degree, such as a Ph.D. or M.D. COMCARE is now reimbursed under a new CCBHC encounter rate but still relies on Medicaid rates for services not included in the encounter rate. The COMCARE official noted that Medicaid has the lowest reimbursement rates for services among private and public plans.

Committee Discussion on the Mental Health Workforce Pipeline

The Chairperson invited members to discuss the information provided by the conferees speaking about the workforce pipeline during the October 27 meeting. The Committee noted the different approaches needed when recruiting staff in rural areas versus urban areas, and a suggestion was made that the new 50-bed hospital be located in an urban area to help ensure staffing availability.

The importance of efforts to enhance the workforce pipeline was noted; however, the results of those efforts may be several years out, creating a need for additional resources to recruit and retain staff in the present and immediate future. It was noted that both current and newly created programs require oversight and should be consistently reviewed to ensure they are being utilized and are effective. Developing a model to evaluate programs would help determine the effectiveness of present programs as well as provide parameters for redesigning ones that are ineffective.

The Committee expressed interest in supporting workforce programs in the community where the new hospital will be located to recruit local community members to remain in the area to work. Programs such as scholarships and grants were mentioned as important to workforce development, as well as reaching students when they are in junior high and high school. It was also recommended that information be sought to learn what other states are doing to meet mental health workforce needs.

The Committee also referenced testimony on the increasing needs for mental health beds and questioned whether a 50-bed unit will be enough to meet the ongoing needs of the state. The Committee discussed the importance of choosing a location that leaves room for growth to ensure that the hospital can be expanded to hold more than 50 beds in the future.

Roundtable Discussion on the Behavioral Health Workforce Pipeline

The Committee held a roundtable discussion on December 21 to hear stakeholder perspectives on various aspects of the behavioral health workforce. Attendees included representatives from the Board of Nursing, Behavioral Sciences Regulatory Board (BSRB), KU School of Nursing, FHSU Department of Social Work, Association of Community Mental Health Centers, KDADS, State Board of Regents, and Kansas Association of Community College Trustees.

License Accessibility and Transferability

The Executive Administrator of the Board of Nursing and a representative from the KU School of Nursing both reported on feedback they have received from licensed mental health technicians (LMHTs). These participants described the LMHT position as holding a lot of responsibility, often requiring long hours, and requiring ongoing continuing education. However, the rate of pay does not reflect the increased responsibility of the

LMHT position above other nursing levels or certifications with fewer responsibilities. The representative from the Board of Nursing did note that a new LMHT program is anticipated to open in Hays, associated with KVC Hospitals. The representative from the KU School of Nursing recommended creating a progression path from entry-level worker to LMHT certification, and making training more accessible for individuals who are currently working in behavioral health settings.

The Executive Director of the BSRB shared information on some of the changes the BSRB has made, as well as changes the BSRB anticipates making, to increase the accessibility of the licenses the BSRB oversees. Recent changes include decreasing the required number of hours of professional experience and supervision for clinical licensure and allowing individuals at the master's degree level to test for a lower level of addiction counseling licensure. In addition, the BSRB is exploring current reciprocity requirements between Kansas and other states and creating new levels of licensure for addiction counselors.

Retired Workforce

Roundtable participants identified several areas in which changes can be made to make it easier for retired professionals to re-enter the workforce, including offering continuing education and supervision focused on areas that may have changed since the retiree was last practicing (*e.g.,* telehealth and other technological updates), finding ways to reduce the cost of licensure for this population, and creating a temporary license that allows individuals to work while accruing necessary continuing education hours.

Incentive Programs

Roundtable participants noted that many incentive programs provide incentives after an individual's education is complete and discussed the importance of providing incentives earlier in the educational system. Participants recommended enhanced efforts to to provide high school students with information about career pathways in behavioral health. The representative from FHSU noted the importance of providing opportunities in the communities in which students live and noted a program at FHSU that allows students guaranteed admission if they are sponsored by a local agency and agree to work there for a certain period of time following graduation.

Additional ideas highlighted by participants included relocation bonuses, including additional bonuses for buying a home in a rural area; partnerships between CMHCs and local community colleges to build workforce in small communities; expanding certification programs currently housed in state hospitals (LMHT and MHDDT) to community and technical colleges; and finding ways for LMHT training to be used as college credit toward higher level degrees. The Behavioral Health Services Commissioner, representing KDADS, noted that the state hospitals have used bonuses as incentives for staff retention, particularly during the COVID-19 pandemic; however, current statutes limit the amount hospitals are able to provide.

Tracking and Evaluation of Incentive Programs

The President and CEO of the State Board of Regents noted that the Board can easily track student employment and whether students remain employed in Kansas, but it is more difficult to identify whether they are employed in the field they intended to enter. He also recommended that, when creating evaluation and tracking programs, a cost-benefit analysis be completed to ensure that the resources spent on tracking programs do not exceed the value of the actual program. The representative from the Kansas Association of Community College Trustees noted that current programs are housed under a variety of state agencies and recommended consolidating evaluation efforts under one agency or under the agency that oversees the particular license or degree being targeted by the incentive program.

Wage Disparities

The participants noted that efforts to raise wages in behavioral health must ensure that wages are competitive within the local community and within the behavioral health field, as well as within related industries in which the workforce would be qualified to work. It was recommended that a focus be placed on both recruitment and retention, ensuring that competitive wages are in place for entry-level positions as well as consistent pay increases to incentivize retention.

The representative from the Kansas Association of Community College Trustees noted that some nurse training programs require an individual to have health insurance, making it important that wages be at a level that make this, and other similar requirements, feasible. She also noted the importance of competitive wages for those teaching and supervising students and those working toward clinical licensure.

In discussion following the conclusion of the roundtable discussion, the Committee called attention to the importance of closely following the progress of the crisis intervention centers as KDADS navigates the rules and regulations processes needed for them to open. It was also noted that a recording of the meeting, including the roundtable discussion, can be viewed on YouTube, at the following link: https://www.youtube.com/watch?v=VZ-PZM2GXog.

Conclusions and Recommendations

Following discussion, the Committee recommended:

- The State Finance Council release the $15.0 million appropriated to KDADS for the purpose of opening a new state hospital. The funds should be utilized to develop a specific plan for the construction and operation of a new state hospital, including the issuance of a request for proposal.

- KDADS work with Sedgwick County to open a facility in the Sedgwick County regional area with a capacity of up to 50 state institution beds. The facility should be located in an area with room for expansion to ensure additional beds can be added if needed. The project should begin within calendar year 2023. In addition, KDADS and Sedgwick County should consider whether the facility should be publicly or privately operated.

- The State Finance Council allocate $40.0 million from federal American Rescue Plan Act funds to open the 50-bed facility, as requested by Sedgwick County through the Strengthening People and Revitalizing Kansas (SPARK) Task Force.

- The Committee hold a meeting with the Board of Nursing, BSRB, State Board of Regents, universities, community and technical colleges, state agencies, private colleges, and other stakeholders to discuss the following topics:

    - Increasing the accessibility and transferability of certifications such as the LMHT, MHDDT, and other mental health certificates used in state hospital settings;

    - Creating outreach and incentive programs to expand the mental health workforce pipeline, such as the creation of scholarships and public-private partnerships;

    - Reducing barriers that prevent workers from rejoining the workforce once they've retired;

    - Developing a method to track the use of programs designed to promote the mental health workforce and continually evaluate their effectiveness; and

    - Addressing wage disparities between mental health providers and other similar jobs.

- The Legislature appropriate up to $5.0 million to KDADS for each fiscal year to begin a two-year pilot program to reimburse hospitals for the supervision and transfer of individuals who are waiting for a state hospital bed. KDADS should then provide the Legislature with an annual report on how the funds are being used.

- The Legislature, KDADS, and the Kansas Department of Health and Environment investigate available waiver and reimbursement options that can be used to pull down additional federal funds to reimburse providers of mental health services.

- The Legislature and KDADS research how technology, such as apps, can be used to reach those facing mental health challenges and investigate current practices being used to reach individuals in crisis via technology.

MINORITY REPORT

2022 Special Committee on Mental Health Beds

I do not agree with the recommendations formed by the Mental Health Beds Committee.

Representative Henry Helgerson

Mental Health Bed Breakdown by Region and Licensed v. Staffed Beds

	State Psychiatric Hospital		Private Psychiatric Hospital		Crisis Intervention Centers		Crisis Stabilization Centers	
	Licensed	Staffed	Licensed	Staffed	Licensed	Staffed	Licensed	Staffed
Northeast								
Osawatomie State Hospital	174	144 [1]	-	-	-	-	-	-
Kansas City	-	-	47	47	30	N/A [4]	30	N/A [2]
Olathe	-	-	48	48 [3]	-	-	-	-
Overland Park	-	-	42	32 [1]	-	-	-	-
Topeka	-	-	32	24 [3]	-	-	26	N/A [2]
Shawnee	-	-	20	20	-	-	-	-
Manhattan	-	-	-	-	-	-	6	N/A [2]
Lawrence	-	-	-	-	32	N/A [4]	-	-
Northeast Subtotal	*174*	*144*	*189*	*171*	*62*	-	*62*	-
Southeast								
Southeast Subtotal	-	-	-	-	-	-	-	-
North Central								
Salina	-	-	15	15	-	-	2	N/A [2]
North Central Subtotal	-	-	*15*	*15*	-	-	*2*	-
South Central								
Arkansas City	-	-	12	12 [3]	-	-	-	-
Hutchinson	-	-	15	15	-	-	-	-
Newton	-	-	41	41 [3]	-	-	-	-
Sedgwick County / Wichita	-	-	60	60 [3]	-	-	27	N/A [2]
South Central Subtotal	-	-	*128*	*128*	-	-	*27*	-
Northwest								
Hays	-	-	-	-	-	-	4	N/A [2]
Northwest Subtotal	-	-	-	-	-	-	*4*	-
Southwest								
Larned State Hospital	90	74	-	-	-	-	-	-
Garden City	-	-	6	6	-	-	-	-
Southwest Subtotal	*90*	*74*	*6*	*6*	-	-	-	-
Total	**264**	**218**	**338**	**320**	**62**	**-**	**95**	**-**

[1] Beds under capacity due to COVID restrictions

[2] Awaiting updated numbers of staffed beds

Psychiatric Hospitals

Psychiatric Hospitals offer the highest level of care in the State. These beds are traditionally filled with individuals who pose an immediate risk to themselves or others. A patient's length of stay can be short term or long term depending on the needs of the patient, however they are traditionally longer than 72 hours.

[3] Beds which are included in the Kansas Department for Aging and Disability Services' State Institutions Alternatives program to divert individuals from the state hospitals to the community.

Crisis Intervention Centers

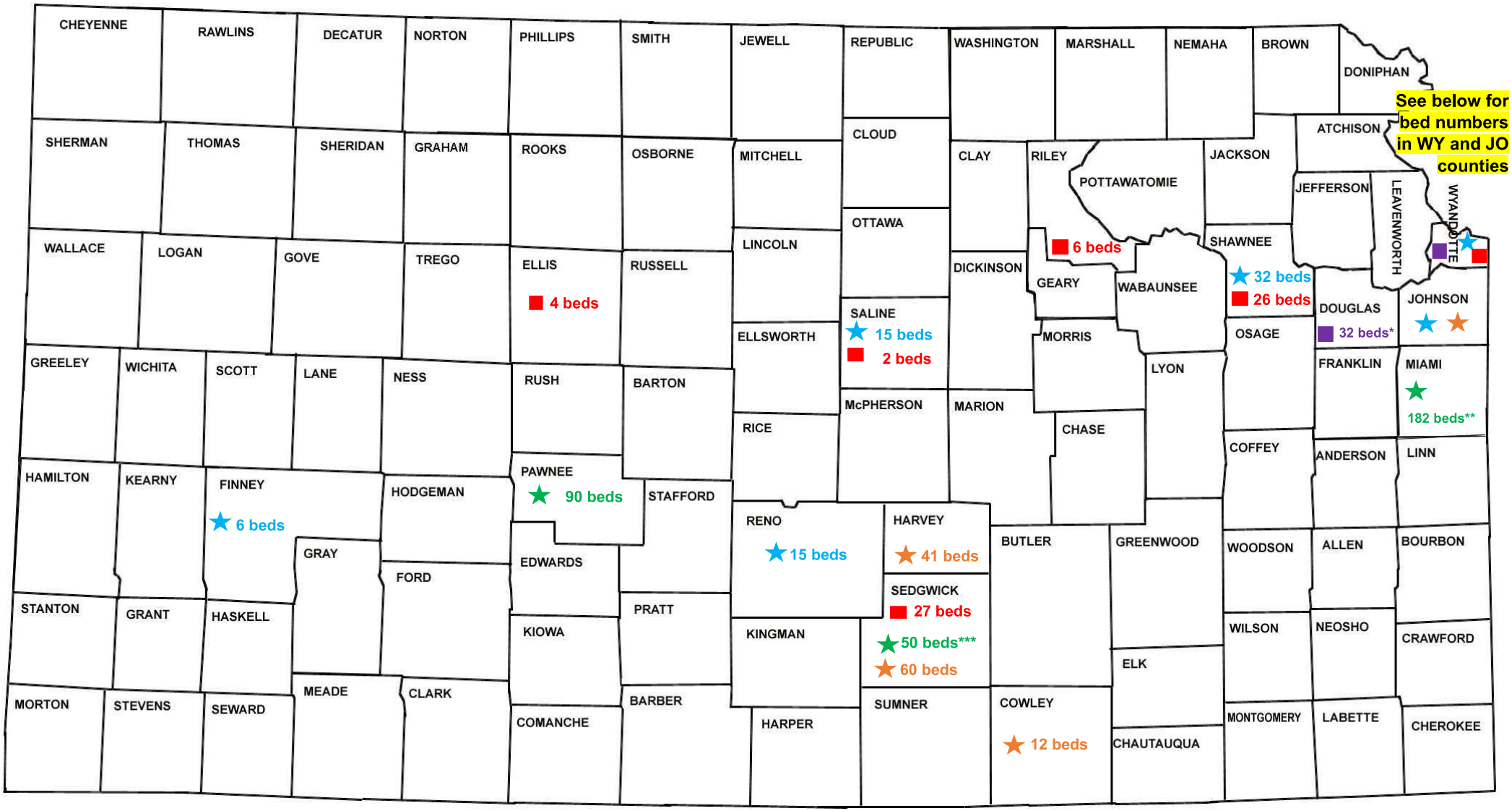
Crisis Intervention Centers also provide the highest level of care. These beds are traditionally filled with individuals who pose an immediate risk to themselves or others. These beds however are for individuasl who are receiving short-term involuntary treatment. Patients are served up to 72 hours in these facilities.

[4] The 2022 Legislature approved $2M for FY22 and $10M for FY23 from the Governor's Budget Recommendation for Crisis Intervention Centers. Regulations are currently being reviewed by the Kansas Attorney General. Once the regulations are approved, we anticipate the first center under the Crisis Intervention Act to begin providing services this year.

Crisis Stabilization Centers

Crisis Stabilization Centers also provide the highest level of care. These beds are traditionally filled with individuals who pose an immediate risk to themselves or others. These beds however are for individuals who are receiving short-term voluntary treatment. Patients are served up to 72 hours in these facilities.

Number And Location of Adult Mental Health Beds Statewide by Facility Type as of August 2022



★ **State Psychiatric Hospitals** – 272 total
(total excludes the proposed 50 beds in Sedgwick Cty)

★ **Private Psychiatric Hospitals** – 143 total

★ **State Institutional Alternative Beds** – 181 total

■ **Crisis Intervention Centers** – 62 total

■ **Crisis Stabilization Services** – 93 total

State psychiatric hospitals, private psychiatric hospitals, and state institutional alternative beds offer the highest level of care in the State. These beds are traditionally filled with individuals who pose an immediate risk to themselves or others. A patient's length of stay can be short term or long-term depending on the needs of the patient, however they are traditionally longer than 72 hours.

Crisis intervention centers and crisis stabilization centers also provide the highest level of care. These beds are traditionally filled with individuals who pose an immediate risk to themselves or others. Patients are served up to 72 hours in these facilities. Crisis intervention centers provide involuntary treatment, while crisis stabilization centers provide voluntary treatment.

* **In construction Phase**

** **Undergoing renovation** – 182 beds planned after renovations are complete
- 114 existing licensed beds; 110 licensed beds after renovations are completed
- 60 existing certified beds; 72 certified beds after renovations

*** **Proposed 50 regional beds**
- 25 for involuntary admissions
- 25 for forensic competency

Wyandotte County:

■ 30 beds
■ 30 beds
★ 47 beds

Johnson County:

★ 68 beds
★ 42 beds

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August 19, 2022

To: 2022 Special Committee on Mental Health Beds

From: Connor Stangler, Research Analyst, and Megan Leopold, Fiscal Analyst

Re: History of Mental Health Hospitals and Services in Kansas

This memorandum provides an overview of the history of the two primary mental health hospitals in Kansas: Larned State Hospital and Osawatomie State Hospital. It also summarizes the national and state-wide transition from institutional mental health services to community-based services.

The Origins of State Mental Health Hospitals in the United States

From the mid-19th century to the early 20th century, states across the U.S. funded and built large mental health hospitals. In 1840, there were 18 "asylums," as they were known then, in the nation. By 1880, there were 139. By 1948, at the peak of the institutional movement in mental health, 1 out of every 263 Americans lived in a state institution.

Historians attribute the original campaign for more state mental health hospitals to 19th-century reformer Dorothea Dix. Prior to the American Civil War, Americans suffering from mental health disorders often ended up in prisons. At the time, those who had mental illnesses were classified by medical professionals and governments as criminals or prone to criminal behavior. Dix pushed for a more humanitarian approach to treatment and met with state leaders across the nation to discuss the benefits of institutions dedicated to the treatment and study of mental illness. The movement for mental health hospitals paralleled a larger movement in the late-19th century to address problems of urbanization and industrialization, such as crowded housing units, pollution, and poverty. According to the American Psychiatric Association, Dix is credited with establishing 32 state mental hospitals. Even as the construction of state hospitals shifted individuals with mental illnesses out of prisons and into institutions, treatment remained rudimentary, relative to modern methods. Mental health professionals rarely distinguished between those with developmental disabilities or those suffering from psychiatric disorders. Additionally, children were often housed in the same institutions as adult patients. The first public psychiatric hospital for juveniles did not open until 1937.

Many state hospitals constructed between 1860 and 1930 were intentionally built far from urban centers. The architects of the state hospital movement believed ample green space and activities such as gardening would benefit patients. Institutions often used outdoor activity and labor as treatments for patients. The construction of large, visually impressive buildings with grand facades was part of the vision of Thomas Story Kirkbride, superintendent of the Pennsylvania Hospital for the Insane. His architectural model became known as the "Kirkbride"

style of hospital and was the standard for state mental health hospitals in the 19th and early 20th centuries in the United States.[1]

The Origins of the State Hospitals in Kansas

Osawatomie State Hospital

Osawatomie State Hospital is the oldest mental health hospital in the state. On March 2, 1863, the Governor signed into a law an act "to provide for the appointment of Commissioners to Locate a State Insane Asylum, and to define their duties and fix their Compensation." The law required the newly appointed Commissioners – Williams Chestnut of Miami County, I. Hiner of Anderson County, and James Hanaway of Franklin County – to "locate the Insane Asylum at some point within the township of Osawatomie … and for that purpose they shall select a tract of land, not less than one hundred and sixty acres, affording it practicable building stone, water, and other facilities for the erection of suitable buildings for a State Insane Asylum … ." The original version of the bill establishing the state hospital, Bill No. 9, located the institution in a township in Wyandotte County (then spelled "Wyandott"). During the February 17 debate of the House Committee of the Whole, a motion was made to strike out "Wyandott" and insert "Osawatomie" in its place, but the motion was voted down. According to the 1863 Journal of the House, "Paola and Topeka, as well as Wyandott, were named as candidates for the location."

It is unclear when the bill was amended to name Osawatomie as the final site. On February 28, 1863, the *Emporia News*, reporting on the legislative debate over the bill, stated that "Wyandott got beaten, for the Lunatic Asylum, by Osawatomie. While we think that Wyandott needed the institution very much, Osawatomie needed it more. It is a good place for it." According to a September 26, 1986, *Olathe Daily News* article on the history of the hospital, the original 60-acre site was donated by the Reverend Samuel Adair, the brother-in-law of abolitionist John Brown.

The hospital in Osawatomie was the first mental institution west of the Mississippi River. Known as "The Lodge" in its early years, the hospital consisted of a two-story converted farmhouse south of the Marais des Cygnes River, according to an article at the time in the *Salina Journal.* The hospital admitted its first patient on November 5, 1866. According to the *Lawrence Tribune* in 1866, the grounds contained "eighty acres of prairie, beautifully situated, and one hundred acres of heavy timber. There is an abundance of stone of good quality for building purposes." The hospital staff soon encountered problems, however. In the 1867 annual report of Osawatomie State Hospital, Dr. C.O. Gause, superintendent of the hospital, reported capacity issues were already affecting the doctors' ability to provide for patients: "The present building is entirely inadequate to the wants of the State, and can not accommodate more than one fifteenth of the number now in the State." By 1869, the main brick building had been constructed in the "Kirkbride style." In 1885, the *Miami Republican* reported that about 30 acres of the hospital's grounds were under cultivation by the patients.

Larned State Hospital

According to the Biennial Report of the State Board of Control of State Charitable Institutions (Board) for fiscal years 1913 and 1914, the Board had discussed potential solutions

1 Information in this section was drawn primarily from Christopher Payne's *Asylum: Inside the Closed World of State Mental Hospitals* (Cambridge: MIT Press, 2009).

to the overcrowding at Osawatomie and Topeka State Hospitals for several years prior to the opening of Larned State Hospital, noting the two existing state hospitals "have continually asked the Legislature for more room and facilities to handle their people." According to that same report, the 1911 Legislature appropriated $100,000 "for the purpose of securing a suitable site of not less than 320 acres nor more than 1,000 acres of fertile, productive land and for the erection and equipment of suitable buildings" for a new state hospital.

The Legislature stipulated the new site would be in a county west of the 98th meridian (which runs just west of Hutchinson, Kansas) and within five miles of the city chosen for the hospital. The Board reported that the "western part of the state felt that, since the other two hospitals were in the eastern part, the new one should be located in the West." The Board considered "many locations, considering the advantages of each, such as railroad facilities, water supply, fertility of soil, and other conditions necessary for the proper care and employment of the insane." On November 17, 1911, the Board selected a 950-acre site west of the city of Larned. The site sat on "rich bottom land," where the Pawnee River provided "an abundance of water for irrigation purposes, and deep wells to water-bearing sand furnished plenty of pure soft water." The Governor approved the site the next year.

Larned State Hospital opened on April 17, 1914. According to the hospital, the location was chosen because, among other things, it was in close proximity to a "plentiful water supply" in the Pawnee River. Similar to other state psychiatric institutions in less-dense settings, "useful employment" through gardening and farming was the preferred treatment for patients when the hospital opened. The *Larned Chronoscope* reported on June 26, 1913, that scientists "claim that work in the open air is one of the best cures for mild insanity; it gives the patients enough to do to keep them from brooding and becoming morose."

A January 7, 1914, article in the *Topeka State Journal* called the new hospital a "Garden of Eden." The State planned for the hospital to have a farm, "which will be made the most productive and beautiful of state institution farms." The State, according to the newspaper, liked the "900 acres of rich, fertile irrigated land on the new hospital site," on which the patients would work. The Pawnee River served as the water source for the "irrigation plant," which would supply "every foot of tillable soil" with water. "Work on the farm will be done by hospital inmates and the admission of patients will probably be limited to the incurable but not violently insane class," according to the newspaper.

Unlike other state institutions built in the Kirkbride style before it, Larned was not constructed as one large, central building, but was instead built according to the "cottage plan." According to the *Larned Chronoscope* on February 27, 1913, previous state hospitals "were large buildings, holding a large number of patients in different wards. The modern plan is to use smaller cottages, where the patients may be grouped according to their condition, and managed and treated to much better advantage." The first Larned patients were transfers from Topeka State Hospital and Osawatomie State Hospital.

The Shift to Community-Based Services

The institutionalization movement peaked in 1955 when American mental health hospitals totaled 500,000 beds. The increased use of psychotropic drugs and the shift to community-based mental health care in the 1960s contributed to decreasing census counts at state hospitals. By 2014, only 40,000 patients resided in state hospitals across the United States. The rise of community treatment affected not only the number of state hospital beds but how inpatient beds were used. In the 1970s and 1980s, stays in community beds were between

30 to 90 days, whereas stays in state hospitals in the early 20th century were usually much longer. The introduction of managed care models in the 1990s shortened community bed stays even more, bringing them down to 5 to 10 days on average. Among children and adolescents, the median stay in community hospital beds declined from 12 days to 4 from 1990 to 2000.

In 1963, President John F. Kennedy signed the Community Mental Health Act, which led to the establishment of Community Mental Health Centers (CMHCs) across the nation. The passage of Medicaid in 1965 further shifted states' treatment strategy toward local services. The institutions for mental diseases exclusion in Medicaid prohibited the billing of Medicaid for treatment in psychiatric settings of more than 16 beds for Medicaid beneficiaries. In response, states began to build smaller units in local hospitals with Medicaid-billable beds.

In Kansas, the 1987 Community Mental Health Services Act changed how community-based services were funded in the state. The Act created a State Aid Grant to fund CMHCs. The formula used to calculate the distribution of funds was based on the local money CMHCs were able to raise rather than on the amount of funding needed to provide services. The law governing the grant amount has not changed since it was enacted, so State Aid funding for CMHCs has remained at approximately $10.2 million per year from the State General Fund. This funding, along with additional grants, are certified by the CMHCs as match to draw down additional federal funding.

After the establishment of community-based services, institutions continued to consume a majority of state mental health service financing. A 1988 Legislative Division of Post Audit report indicated more than 75 percent of state funding for mental health services was going to support institutions. At that time, approximately 25 percent of patients admitted to state hospitals were first screened by a CMHC.

The Kansas Mental Health Reform Act of 1990 accelerated the state's transition from institutional to community-based mental health care. The Act deemed that Kansas residents in need of mental health services should receive the least restrictive treatment and the most appropriate community-based care coordinated by both CMHCs and state hospitals. Following the passage of the Act, CMHCs became the primary sites of mental health treatment access, which reduced state psychiatric hospital admissions and increased usage of community-based services. From 1990 to 2017, the number of available in-patient state hospital beds fell from roughly 1,000 to 258.

Trends in psychiatric bed stays have remained more static in the 21st century compared to the dramatic decline in length of stay from the 1950s to 2000. Average stay lengths have either remained stable or decreased slightly, depending on the facility and population. According to a 2013 study, the average length of inpatient psychiatric stay for adults in private nonprofit hospitals declined during the 1990s but leveled off after 2000. From 1998 to 2017, the average length of stay for treatment in short-term facilities remained steady at 7 days.