

St. James Mercy Hospital Letter to the Editor

June 26, 2013

Earlier this month, St. James Mercy Hospital (SJMH) announced its intent to apply to the New York State Office of Mental Health to discontinue inpatient adult and adolescent psychiatric services. (See www.stjamesmercy.org, News & Events).

For many years, providing inpatient behavioral health services to the community has been an integral part of our healthcare mission. The decision to initiate the discontinuation process was not a reflection of lessened community need; nor was it indicative of the quality of care provided by expert, dedicated staff. Simply put, SJMH cannot afford to continue providing inpatient behavioral health services due to escalating cuts in reimbursement rates and mandated shorter length of patient stays.

In particular, the rise of Behavioral Health Organizations (BHOs) and managed care organizations are driving the admission approval process, length of stay and discharge criteria of the Medicaid patient population. Medicaid recipients represent approximately half of our inpatient psychiatric care volume. As a result, the covered length of stay has been declining since 2011 at a rate of 10% per year and continues to decline, which not only impacts our revenues but more importantly, may force patients to be discharged sooner than may be therapeutically advised.

The “rightsizing” of inpatient psychiatric care is happening across New York State, in urban areas as well as rural areas. One example is the recent merger of inpatient psychiatric units at Buffalo General Hospital and Erie County Medical Center in order to sustain the availability of services in that area. In fact, virtually all providers of behavioral health services are actively seeking to form partnerships in order to continue providing needed care in the face of increasing regulatory and economic challenges. Partnering allows greater opportunity to better manage patient volumes, share risk, and leverage reimbursement, all the while focusing on quality services—there is strength in numbers.

To date, SJMH has not succeeded in striking a partnership around behavioral health services, despite our diligence in reaching out to potential collaborators. Therefore, we are initiating the process of discontinuation of services with the NYS Office of Mental Health (OMH) and the NYS Department of Health. Both agencies must approve the plan for closure, a process that may take many months to complete. In the meantime, as we work through that complex process, the psychiatric care units at SJMH are still open for business, accepting referrals and providing services to the community. SJMH’s behavioral health services are known for care excellence, and staff on these units have responded to this challenging news with professionalism and compassion—a testament to their commitment to and concern for the well-being of patients and the community.

Of course, simply discontinuing a service does not necessarily lessen the demand. We recognize that our community still needs behavioral health services, and SJMH will do all it can going forward to assist patients in finding alternate care. Our clinical staff will work with law enforcement, referring agencies, and state officials on a plan for transferring to other facilities those patients who may still present at SJMH’s emergency department for psychiatric care after services are discontinued.

To say that this is a challenging time for healthcare in general and SJMH in particular is something of an understatement. Yes, it’s a tough environment. And yes, we’ve recently had to make some very difficult decisions in order to sustain organizational viability. In this new healthcare environment,

regrettably we can no longer be all things to all people and are focusing on the core business of acute care, outpatient services, and continuing care, as we preserve local healthcare for our community.

The support and advocacy of everyone in the community, especially our committed employees, medical staff, and volunteers, is important and makes a difference as we continue to provide quality, essential healthcare services to all who need it. Working together, we can keep quality local healthcare services available and strong in our community.

On behalf of our patients, residents, and clients, as well as the staff of SJMH, thank you for all you do for St. James Mercy Hospital.

Sincerely,

Mary E. LaRowe
President & CEO
St. James Mercy Health System