



City Club *of* Portland

Good citizens are the riches of a city

**“Multnomah County’s
Public Mental Health Programs”**

**Comprehensive Study Charge
October 2009**

**Approved for Study
by the Board of Governors on September 21, 2009**

**City Club of Portland
901 SW Washington St.
Portland, OR 97205
(503) 228-7231
tony@pdxcityclub.org**

BACKGROUND

At the beginning of the nineteenth century, reformers created asylums for the mentally ill. As these asylums evolved, conditions frequently deteriorated. For much of the later nineteenth and early to mid-twentieth centuries, insane asylums, like the one fictionalized in Ken Kesey's *One Flew over the Cuckoo's Nest*, epitomized public 'treatment' of individuals deemed 'crazy,' 'hysterical,' or 'mad': they were incarcerated in these institutions. This practice served to put the mentally ill 'out of sight and out of mind' of the public. 'Treatment' often did not result in release from the institution; instead, once committed, patients often stayed for years, resulting in the warehousing of large numbers of people.

However, the late twentieth century saw significant developments in the understanding of mental health as well as approaches to treatment. In the 1960s and 1970s a nationwide public policy shift occurred, resulting in a transition from institutional hospitalization toward smaller-scale community-based care. This new policy sought to integrate many public mental health patients into the community, while suggesting that the majority of services could be delivered more effectively and efficiently on an individual outpatient basis.¹ In July 2009 Dr. Bruce Goldberg, Director of Oregon's Department of Human Services, told City Club that although significant progress has been made since that time, implementation often has lagged policy for mental health services.²

Oregon shifted responsibility for many mentally ill patients from centralized care at institutions such as the State Hospital, in Salem, to individual counties for provision of public mental health services. Each county developed different approaches to providing these services. Some provided services through county employees, delivering them through county clinics. Other counties decided to work with private providers – with some choosing many smaller vendors and others looking to one or two major vendors. Yet others created smaller-scale specialized programs in departments other than social services. For example, Clackamas County opted for in-house delivery. Multnomah County used numerous smaller vendors for many years, but then later added Verity, a managed-care organization, to serve those covered under the Oregon Health Plan. More recently, Multnomah County turned to a major private vendor for a significant portion of its contracted care, Cascadia Behavioral Healthcare, which had consolidated many smaller providers through mergers and acquisitions. In addition to other public health care services, Washington County also has a Mental Health Care Court Program to help remove those with mental health issues from the criminal court system in that county. The state hospitals in Salem, Portland and Pendleton still offer supervised care to individuals suffering from the most severe mental health disorders, many of whom have been committed to the Department of Human Services as a danger to themselves or others, including people who have been found guilty except for insanity.³

The financial near-collapse of Cascadia Behavioral Healthcare in 2008 drew attention to Multnomah County's public mental health system. Since July 2008, Multnomah County and the State of Oregon loaned Cascadia \$2.3 million to stay afloat. The county still has Cascadia provide some mental health services, but has also shifted some of that contract work to a greater diversity of vendors. In addition,

¹ "Overview of the Public Mental Health System in Oregon," <http://www.oregon.gov/DHS/mentalhealth/history.shtml>.

² Bruce Goldberg, "Changing Government, Changing Lives," City Club of Portland Friday Forum, 10 July 2009.

³ "About Us," http://www.oregon.gov/DHS/mentalhealth/about_us.shtml.

the county still has Verity providing managed mental health care, while its various departments also provide mental health services to different distinct populations, such as the aged and disabled, children and adolescents, the developmentally disabled and those in the correctional system. Meanwhile, the county has also reviewed its contracting practices.

As of July 2009, Multnomah County reports that it “provides comprehensive Mental Health Treatment for adults who have Oregon Health Plan, and for indigent adults who have a Severe Mental Illness (SMI), and are at risk for harm to themselves or others.” The following information is also taken directly from its website:

- “Multnomah County served 6,639 adult clients who have Medicaid coverage through a variety of contracts with Mental Health treatment facilities.
- In addition, the county actively works to...[provide coverage for] individuals who have high need for Mental Health treatment, but do not have the funds to obtain the treatment. Verity-Plus coverage served 1,387 additional adult clients in Fiscal Year 2007.
- As of December 2008, Assertive Community Treatment (ACT) has been contracted to Central City Concern and is serving approximately 200 clients who have SMI and need this level of services to remain in the community.
- The local continuum of adult mental health services is broad based. It includes clinic and community based treatment, acute care inpatient hospital services, residential care, and employment services.
- Crisis services are offered through a centralized crisis response system that includes a 24-7 partnership between Multnomah County's call center and Cascadia's Project Respond team.”⁴

At the state level, the Oregon Legislature and Department of Human Services continue to emphasize the importance of evidence-based treatment and monitoring for health care in general as well as mental health care. According to DHS: “Evidence-based treatment and prevention practices are those that research has proved effective. DHS is adopting proven practices in addictions and mental health services. The Oregon Legislature directed DHS and four other state agencies to spend increasing shares of public dollars on evidence-based services, culminating in 75 percent by the 2009-11 budget period.”⁵ In his July 10, 2009 presentation to City Club, Dr. Goldberg confirmed a move towards measuring comparative effectiveness. He emphasized working ‘smarter’ and more transparently to use limited state resources more efficiently, and investing in more research to determine smarter practices to attain more effective outcomes. He suggested reengineering Oregon’s focus to community prevention efforts as important. He also emphasized accountability for performance.

The state legislature and DHS also strive for parity of mental health with other health care funding and services, and call for further integration of mental health care into a more comprehensive and holistic health care system.

⁴ “Mental Health and Addiction Services for Multnomah County Adult Mental Health Services;” <http://www.co.multnomah.or.us/dchs/mhas/adult.shtml>.

⁵ “Evidence Based Practices;” <http://www.oregon.gov/DHS/mentalhealth/ebp/main.shtml>.

ISSUES AND CHALLENGES

- Referring to the 2008 collapse and bailout of *Cascadia*, Multnomah County Chair Ted Wheeler recently reiterated the importance and severity of this failure in critical contracted services. As early as 1999, the City Clubs' "Privatization of Government Services" report expressed the same concerns about how contracts are awarded and managed.⁶
- In multiple reports, the Multnomah County Auditor has cited systemic deficits in service contract management. Audit recommendations have remained inconsistently applied, or ignored, by the county's management team and elected leadership.
- In the last decade, practitioners have developed a number of methodologies to measure the effectiveness of both contract management and patient outcomes. In spite of audit recommendations, Multnomah County appears not to have embraced implementation of such standards and practices.
- The State of Oregon recently released an updated list of approved evidence-based practices for mental health.⁷ While not mandatory, state funding will be tied to adoption of such practices. Dr. Goldberg indicated that the metropolitan area may need to consider a new community-based strategy covering the entire region.
- Multnomah County mental health services are subject to the national debate over proposed changes in health care provisioning that will emphasize transparency, accountability, evidence-based evaluation, expansion of benefits to underserved communities and greater integration of health care services. Given its track record, will Multnomah County be able to adapt to a redesigned national health care model?

⁶ The report concluded that "a future City Club committee could usefully evaluate the management of not-for-profit social services programs in Multnomah County and elsewhere and draw conclusions and develop recommendations concerning the management of these types of programs." "Privatization of Government Services," *City Club of Portland Bulletin*, Vol. 81, No. 3 (June 11, 1999), p. 49.

⁷ See National Consensus Statement on Mental Health Recovery, U.S. Department of Health and Human Services Substance Abuse and Mental Health Services Administration Center for Mental Health Services; www.samhsa.gov. Although the County also provides similar services due to poverty, disability, alcohol and drugs, and there is substantial overlap in some treatment areas, we are concerned here only with the mental health issues. The Surgeon General defines mental illness as "all diagnosable mental disorders" and further defines mental disorders as "health conditions characterized by alterations in thinking, mood, or behavior (or some combination thereof) associated with distress and/or impaired functioning;" <http://www.nga.org/portal/site/nga/menuitem.1f41d49be2d3d33eacdcbeeb501010a0/?vgnnextoid=1766dfc097991110VgnVCM1000001a01010aRCRD>.

STUDY OBJECTIVES

The research committee is asked to do the following in its report:

1. Describe Multnomah County's process for managing its mental health services, including but not limited to:
 - the mental health services provided by the county in general and specifically those that are provided by vendors and/or private parties
 - the process used by the County to determine the goals or purpose of services
 - how outcomes or measures for the service are established
 - how qualified vendors or outside parties are identified
 - creation of measures to determine whether goals and or outcomes have been achieved
 - establishing internal responsibility for oversight
 - communication and reporting process as it relates to progress, problems or suggested changes
 - internal communication with policy makers as to the status of service delivery
 - compliance with existing laws and budgetary requirements
 - ability to redirect providers towards proper ends if it appears results are varying too greatly from desired outcomes or goals
 - evaluation of the service and its results
2. Describe objective effectiveness standards in regards to the management of public mental health services, including but not limited to:
 - American Institute of Certified Public Accountants (AICPA)
 - Generally Accepted Government Auditing Standards (GAGAS)
 - state and federal standards (GAO or OAS)
 - legal requirements
 - management of contracts by other similar governmental agencies and private interests
3. Compare these objective effectiveness standards to current practices found in Multnomah County to determine how well the county is complying with them, concentrating on those areas that are most critical for the effective management of mental health services.
4. Identify those areas that are working well and make recommendations for improvement in areas that are not working as well.

SCOPE

This research study will focus on Multnomah County's management of its mental health services. The study should evaluate the county's progress toward implementing the auditor's recommendations regarding the management of mental health services and implementing and enforcing the state's approved evidence-based criteria as standards for practice. In order to reach conclusions and make recommendations regarding management of mental health services for Multnomah County, the study committee should consider:

- Integrating mental health services in with other health services
- Funding tied to evidence-based comparative effectiveness
- Other effective service models

In order to remain focused and complete the study in a timely manner, the committee should concentrate on how to use existing funding effectively, rather than the need for more funding. For example, the committee should focus on:

- What already works well in Multnomah County with current funding, in addition to proposals for more effective practices, better outcomes and efficiency.

The committee *should not* delve in any depth into:

- The intricacies of individual treatment models. Although treatment models may be specified in county standards to achieve desired outcomes, the focus here is on system outcomes, not individual treatment methods.
- Detailed exploration of state and federal proposed changes. These more global proposals may make study of Multnomah County seem like a moving target, but until such changes are implemented, Multnomah County is charged with providing for public mental health, and is likely to continue provision for some time into the future. Of course, these changes will be important to Multnomah County's vision for the future, and the committee's possible recommendations to achieve desired outcomes, but they are not the primary focus of the current study.
- Study of Clackamas County. That county is currently undergoing its own transition: the focus should remain on recommendations for Multnomah County.
- Children's mental health issues. The Children's Institute is looking at statewide services for children's mental health, and the Club need not focus on children's issues unduly.⁸

⁸ 'The Children's Institute is a Portland-based research and advocacy organization "dedicated to improving the odds for Oregon's at-risk children." The committee may wish to communicate with the Institute on certain portions of the study.

STUDY OUTLINE

- Executive Summary
- Overview and Charge
- Management of Mental Health Services in Multnomah County
 - Contracted Services
 - Other
- Effectiveness Standards for Services Management
 - Contracted Services
 - Other
- Evaluation of Services Management in Multnomah County
 - Contracted Services
 - Other
- Conclusions
- Recommendations

TIMEFRAME

The committee is to complete its research and writing within twelve months.