



State Hospitals and Academic Partnerships

**As Required By
General Appropriations Act, H.B. 1, 84th Legislature,
Regular Session, 2015 (Article II, Department of
State Health Services, Rider 86)**



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Executive Summary

[The General Appropriations Act, H.B. 1, 84th Legislature, Regular Session, 2014 \(Article II, Department of State Health Services, Rider 86\)](#), requires the Department of State Health Services (DSHS) to evaluate the benefits of a university health related institution operating a state hospital and report on the expansion of efforts to increase academic partnerships.

Over the past biennium, DSHS has conducted a variety of activities aimed at increasing academic linkages and gaining a better understanding of the factors that contribute to successful state-university partnerships in behavioral health. These include:

- Pursuing new and expanded agreements
- Identifying examples of successful university-public behavioral health partnerships within the state
- Conducting surveys and interviews with other states
- Reviewing the literature on state-university collaboration in mental health

DSHS leaders are also engaging university leaders from across the state regarding academic-state hospital partnerships. These conversations have revealed two significant takeaways:

- Universities are hesitant to assume responsibility for the operation of an existing facility within the state hospital system.
- There is widespread interest in other collaborative relationship types that encompass a range of activities, from expanded residency programs to provision of clinical services.

Discussions are still in the exploratory phase, but the broad parameters of potential collaborative state-university relationships have begun to emerge. Over the long term, more comprehensive arrangements involving public, university, and private partners may evolve in some areas.

Although the potential benefits and challenges associated with any proposed partnership will depend on the specifics of the arrangement, it is possible to highlight some of the potential benefits and challenges that might be expected based on the literature and similar efforts in Texas and other states.

Overall, DSHS identified a number of benefits stemming from collaboration, including:

- Improving staff recruitment and retention
- Providing training and staff development
- Integrating services through leveraging of existing resources and relationships
- Increasing focus on best practices
- Enhancing service delivery through innovation

However, collaboration may present a number of programmatic and administrative challenges that will need careful consideration. Successful partnerships also require strong and committed leadership, shared goals, an environment of mutual respect and trust, the ability to integrate the expertise and experience of both institutions, and a durable organizational structure with clear mechanisms for communication and problem solving.

Two key tangible elements were identified as potential barriers.

- **Facilities.** The poor condition of some of the existing state hospitals may deter university affiliation.
- **Funding.** Universities require agreements that do not place them at risk of financial loss, and adequate resources are a key ingredient in any successful partnership. At this time, it is unclear whether any state-university partnership can be established without additional funding and a clear pathway towards long-term fiscal stability.

Introduction

[The General Appropriations Act, H.B. 1, 84th Legislature, Regular Session, 2014 \(Article II, Department of State Health Services, Rider 86\)](#), requires the Department of State Health Services (DSHS) to evaluate the benefits of a university health related institution operating a state hospital. The evaluation is to include administrative, legal, and financial considerations as well as a timeline for transition and a report on the expansion of efforts to increase academic partnerships. The report must be submitted to the Governor's Office and the Legislative Budget Board no later than September 1, 2016.

Background

Academic-state partnerships in behavioral health have a long history in Texas and across the nation. Medical schools and state agencies have overlapping missions that seek to improve the health of state residents. Schools of medicine and other health sciences provide trained professionals for the state's workforce and conduct research to advance patient care. Academic health centers¹ extend those core missions to patient care, often serving as safety-net providers in their communities. State agencies have a broader focus, aimed at improving the health and well-being of the state's entire population.

Working together, academic and public partners can leverage the strengths and resources each has to offer to better fulfill their overlapping responsibilities to provide an expert workforce and quality healthcare. While these linkages offer tremendous potential, there are also challenges as partners work to overcome barriers, balance their different concerns and priorities, and forge sustainable and successful partnerships.

As part of its mission to improve health and well-being in Texas, DSHS funds community-based behavioral health services and operates the state's psychiatric hospitals, which provide acute and long-term services for civil and forensic² patients with serious and often complex psychiatric conditions. The state hospitals have a long history of partnering with academic institutions to host residency and internship programs.

The State Hospital System Long-Term Plan, published in January 2015, highlighted the potential benefits to be gained by expanding university affiliations and partnerships.³ In addition to partnering with universities in the areas of workforce development and patient care, DSHS proposed pursuing opportunities for universities to assume responsibility for operating state hospitals.

The following report provides a brief overview of general benefits and challenges involved in state hospital-academic partnerships. Current efforts to expand academic linkages will also be

¹ Academic health centers include a medical school, other health profession schools or programs, and one or more owned or affiliated teaching hospitals or health systems.

² Forensic patients are individuals committed for competency restoration services or found Not Guilty by Reason of Insanity.

³ Department of State Health Services, State Hospital System Long Term Plan, <http://dshs.texas.gov/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=8589995809>.

addressed. Finally, the report includes an evaluation of the potential benefits and challenges of a state hospital-academic partnership based on preliminary proposals introduced to DSHS by academic institutions in Texas.

Potential Benefits and Challenges to State Hospital-University Partnerships

Decades of experience in Texas and across the nation offer insight into the factors that contribute to successful collaborations as well as possible challenges. These lessons are helpful in evaluating prospective collaborations, identifying potential challenges, and developing strategies to foster enduring and fruitful partnerships.

DSHS looked at successful public-university partnerships within the state to identify potential models and gain a better understanding of the benefits and challenges that other collaborative efforts have experienced. A number of these partnerships are described in the next section.

The department also surveyed other states to learn about their hospital-based and community-based academic linkages. Twelve responded to the survey, and five participated in telephone interviews. Survey results and highlights of the interviews are found in Appendix B. States are participating in a range of collaborative activities with academic partners, but Kentucky is the only one identified with a state hospital fully operated by an academic institution.

Additionally, a review of the literature found a number of relevant articles, listed in Appendix C. Another particularly useful resource was a book entitled “*Working Together: State-University Collaboration in Mental Health*,⁴” which includes detailed case studies of state-university collaborations in a number of states, as well as related articles providing insight on the factors that contribute to the success and failure of such partnerships. Although the book focuses on partnerships from the early decades of state-university collaboration, the lessons remain relevant and are consistent with more recent articles and the information shared by other states. A compendium of lessons learned is found in Appendix D.

Overview of Potential Benefits and Challenges

State-university partnerships are typically centered on educational and clinical activities. The state hospital provides the training environment for university students and residents, and may also collaborate on service-oriented research and practice improvement projects. In partnership with state hospital staff, university faculty members play a significant role in training, supervision, and oversight of clinical services, with state hospital staff receiving faculty appointments. In some partnerships, universities provide clinical staff for the state hospital.

This type of collaboration offers a number of potential benefits.

- **Staff recruitment and retention.** Academic affiliation and expanded residency and fellowship programs can significantly increase staff recruitment and retention, an area of critical need in the state hospital system today. A growing pool of graduates with experience and interest in the public mental health system also contributes to long-term workforce development.
- **Training and staff development.** Universities can also expand and enrich training for staff training at all levels and may offer additional pathways for professional development. This

⁴ Talbott JA, Robinowitz CB, eds. *Working Together: State-University Collaboration in Mental Health*. Washington, DC: American Psychiatric Press, Inc.; 1986.

type of support can contribute to enhanced patient care, higher staff morale, and improved staff retention.

- **Integrated services.** There are significant opportunities for improving coordination of medical care and implementing integrated service models within the state hospital. In addition, because academic health centers are embedded in the local service system, it may be possible to leverage existing resources and relationships to develop more integrated systems of care at the community level.
- **Best practices.** Academic affiliation may increase focus on fidelity to best practices and expand implementation of research-based interventions. Universities can also access grant funding and other outside resources to implement enriched programming based on emerging models of care.
- **Service innovation.** State hospitals provide a rich environment for service-oriented research aimed at developing improved interventions for specific patient populations. In addition, blending the expertise of two systems with different strengths and perspectives may spur innovation and creative problem-solving to address persistent challenges within the state hospital system.

State-university partnerships can present a number of programmatic and administrative challenges that will need careful consideration. It will also be critical to attend to the less tangible elements of collaboration. These include strong and committed leadership, close personal relationships, shared goals, an environment of mutual respect and trust, the ability to integrate the expertise and experience of both institutions, and a durable organizational structure with clear mechanisms for communication and problem-solving,

At this time, two key issues appear to be potential barriers to expanded state-university partnerships in Texas.

- **Facilities.** The poor condition of some of the existing state hospitals may deter university affiliation.
- **Funding.** Universities require agreements that do not place them at risk of financial loss, and adequate resources are a key ingredient in any successful partnership. At this time, it is unclear whether any state-university partnership can be established without additional funding and a clear pathway towards long-term fiscal stability.

Timeline

The implementation timeline for a state-university partnership will depend on the scope of the project and a number of environmental factors. However, the following timeline appears to be a reasonable starting point for planning the implementation of a partnership focused on educational and clinical activities. This timeline assumes that the parties have reached agreement on a proposal that describes in detail the legal, administrative, clinical, and financial elements of the arrangement. Projects involving legislative appropriations or capital construction may require additional analysis and consultation to determine an appropriate implementation schedule.

- Months 1-6: Contract negotiations
- Months 7-12: Vetting and approval
- Months 13-18: Planning and preparation
- Months 19-24: Implementation

Learning from Existing Partnerships in Texas

All of the state hospitals have residency and internship programs that provide a foundation for more extensive collaboration with universities. The following projects are other examples of partnerships in Texas that demonstrate some of the benefits that can accrue from public-university collaboration.

- **Unit for state psychiatric patients in an academic hospital.** In 2012, a number of civil beds were converted to forensic beds to help meet the growing demand for additional forensic capacity in the state hospital system. To replace the lost civil capacity at Rusk State Hospital, DSHS worked with the University of Texas Health Science Center at Tyler to establish a 30-bed long term psychiatric unit for state hospital patients at UT Health Northeast. The university has also opened a 14-bed acute stabilization unit in partnership with the local mental health authority. In addition, it established a psychiatric emergency room adjacent to the emergency department and opened a geriatric psychiatric unit.
- **State hospital staffing.** The partnership between El Paso Psychiatric Center (EPPC) and Texas Tech University Health Science Center at El Paso represents another common model of collaboration. Medical and psychiatric services at EPPC are provided almost entirely by faculty and residents from the university's medical school. This relationship provides residents with valuable experience working with complex patients and avoids competition for professional resources in a medically underserved area.
- **Local inpatient psychiatric facility.** The Harris County Psychiatric Center (HCPC) is an example of a successful partnership between state and local government and an academic institution. Developed and built by Harris County and the Texas Department of Mental Health and Mental Retardation, HCPC is operated by the University of Texas Health Science Center in Houston. Most of the beds at HCPC are purchased by DSHS through a contract with the Harris Center for Mental Health and IDD, and Harris County contracts for many of the remaining beds. As an academic institution, HCPC is prepared to accept patients that many other hospitals are not equipped to accommodate, such as individuals with intellectual disorders. In addition, it operates one of the few inpatient competency restoration programs outside of the state hospital system. HCPC plays a critical role in the local mental health system, but it is also vital to the state's mental health system. In conjunction with the Psychiatric Emergency Services Program and Crisis Stabilization Unit operated by the Harris Center, HCPC alleviates demand for state hospital beds by meeting a large portion of the local demand for crisis stabilization and inpatient care outside of the state hospital system.
- **Local public-university collaboration to provide coordinated mental health services.** The partnership in Tarrant County illustrates the potential for leveraging state, local and university resources to support a collaborative approach to mental health services. The department of psychiatry at the University of North Texas Health Science Center (UNTHSC), the Tarrant County Hospital District (JPS Health Network), and MHMR Tarrant County have developed an integrated model for behavioral health services. UNTHSC providers staff the behavioral health services at JPS Health Network, including a psychiatric emergency service, an extended observation unit, outpatient and partial hospitalization

programs, and two inpatient psychiatric facilities. These sites also provide learning environments for as many as 60 residents/fellows/interns from a range of behavioral and physical health disciplines as well as hundreds of medical and nursing students per year. The local MHMR delivers continuity of care coordination through on-site staff as well as community-based services in this coordinated system of care. In addition, the MHMR Medical Director is a faculty member at UNTHSC. JPS recently opened a second inpatient psychiatric facility, which houses state-funded beds that DSHS purchases through Tarrant County MHMR. Through its academic partnership, JPS is able to serve more complex patients than many community hospitals. Short term acute patients are usually treated in county-funded psychiatric beds, reserving state-funded beds for patients who require a longer length of stay.

- **Outpatient collaboration.** While many public-academic linkages are focused on inpatient care, outpatient partnerships can also enhance services and provide the rich educational and research experiences that attract new graduates to pursue a career in the public sector. Beginning in 2007, a relationship was established between the Dallas community mental health center, Metrocare, and UT Southwestern Medical School Department of Psychiatry. Using a combination of community center funding and support from Rees-Jones Foundation and from Meadows Foundation, the collaboration resulted in the initiation of a community child psychiatry rotation for third-year residents, a specialty child psychiatry rotation for fourth-year residents, a developmental disability rotation for fifth-year residents, a public psychiatry fellowship funded by the center, and a faculty position funded by the center. The collaboration also led to the establishment of the Altshuler Center for Education and Research at Metrocare, which trains in all mental health disciplines and offers the medical school opportunities for research.

Efforts to Increase Academic Partnerships

The State Hospital System Long-Term Plan, published in January 2015, highlighted the potential benefits to be gained by university affiliations and partnerships. Since then, DSHS has engaged in a variety of efforts to increase academic partnerships.

New and Expanded Agreements

Residencies and Training Programs

State hospitals have academic linkages with dozens of institutions to provide training experiences for students, interns, and residents from a variety of medical and behavioral health professions. Efforts are ongoing to expand these opportunities to expose students and trainees to public behavioral health.

- **Open enrollment to expand Psychiatric Residency Stipend Program.** In August 2015, DSHS posted an open enrollment to expand the stipend program using funds appropriated by the 84th Legislature. This resulted in eight new or expanded residency contracts.
- **New agreement with Texas Tech University at Permian Basin.** This new psychiatric residency program will begin using Big Spring Hospital as a training rotation site in July,

2016. Supported by external funding, it will be a required six-month rotation for first-year residents.

- **Agreement in process with University of Texas at Tyler.** Another new psychiatric residency program will begin using Rusk State Hospital and Terrell State hospital as training rotation sites beginning in July 2017. Supported by external funding, the Tyler program will have a required one month rotation for first year residents at each hospital as well as 2.5 months of experience for second year residents covering forensic psychiatry, subacute treatment-resistant inpatient psychiatry, and geriatric psychiatry at each hospital.
- **Revised contract with Texas Tech University.** The psychiatric staffing at El Paso Psychiatric Center is comprised largely of residents from Texas Tech University Health Science Center at El Paso. This year, the contract was amended to support faculty supervision of residents to provide a richer training experience.

Preliminary Planning for New State Hospital Facilities (UT School of Architecture)

Rider 86 also permits DSHS to use existing funds to initiate planning and related activities to support the future construction of replacement facilities for Rusk State Hospital. To achieve this, DSHS established an agreement with the School of Architecture at the University of Texas at Austin. Under this agreement, faculty and researchers at the School of Architecture are working with state hospital staff to more precisely define master plan options and begin preliminary planning activities. This project is described in a separate report, which will be completed by early 2017.

Patient Safety Organization Agreement

DSHS is working to conclude an agreement with the Rural and Community Health Institute of Texas A&M University to join its Patient Safety Organization. This would provide DSHS with better tools for understanding and eliminating the underlying causes of patient harm from adverse events.

Support for University of Texas Rio Grande Valley

DSHS entered into an agreement with the University of Texas Rio Grande Valley to provide funding to support the development of the Psychiatric Residency Program at the institution's new medical school, which is scheduled to open in the fall of 2016.

Meetings between State and University Leaders

DSHS has been in conversation with potential university partners from across the state, including the University of Texas (UT) System, as well as individual institutions.

UT System Discussion

In July 2015, Dr. David Lakey, UT System Vice Chancellor for Population Health, convened the Chairs of Psychiatry Departments from across the UT system and other universities to begin

ongoing meetings with leaders from DSHS. A list of participating medical schools is found in Appendix A.

Subsequent meetings have provided a forum for sharing experience and exchanging ideas for expanding the role of academic institutions in the state's behavioral healthcare system. As described in the following section, a number of preliminary proposals have emerged from these conversations.

Individual Institutions

DSHS also met individually with two institutions expressing early interest in exploring the feasibility of partnering with state hospitals.

- **University of Texas Health Science Center at Tyler (UT Health Northeast).**
 - Rusk State Hospital. The University's president, Dr. Kirk Calhoun, toured the Rusk State Hospital Campus in September 2015. In a subsequent letter to Senator Schwertner, he communicated the university's willingness to explore a partnership with the State, but only if certain conditions can be met:
 - The state hospital(s) must be adequately updated and/or renovated so that the institution's hospital accreditation and GME accreditation are not jeopardized.
 - There must be adequate funding in order to provide the necessary care for the individuals who are being treated in the state hospital(s).
 - The new partnership does not jeopardize the university's other appropriations that are necessary for the academic and research growth of the campus.
 - The University of Texas Board of Regents must approve of the undertaking.
 - Texas Center for Infectious Diseases (TCID). UT Health Northeast currently provides physicians to staff the TCID, and leaders were interested in exploring the feasibility of assuming responsibility for managing the facility. After a due diligence review, UT Health Northeast concluded that increased funding would be needed to support the proposed transfer of operational responsibility.
- **University of Texas Medical Branch.** Representatives from Correctional Managed Care (CMC), a component within UTMB Health, toured Rusk Hospital and met several times with DSHS staff to discuss a potential partnership modeled after CMC's contract with the Texas Department of Criminal Justice (TDCJ). CMC provides medical care to offenders in correctional facilities across the state.

Preliminary Evaluation of Potential Partnerships

Through the ongoing meetings hosted by the University of Texas (UT) system, medical schools from across the state have had an opportunity to share experiences and ideas for expanding state-university collaborations. In May, DSHS polled participating institutions to elicit their current ideas for new or expanded partnerships with the state hospital system. In their responses, five medical schools outlined their ideas for partnerships involving inpatient services.⁵

⁵ The UT System submitted a letter in early August highlighting opportunities for partnerships involving UT institutions; this letter is attached as Appendix E.

Overview of Proposed Models of Collaboration

While the preliminary proposals offered by the universities are subject to change and do not represent institutional offers or commitments, they do describe the kinds of partnerships medical schools are interested in pursuing. There are similarities among several of the proposals, but their unique profiles reflect the diverse interests and experiences of the institutions, and well as the individual needs and resources within their communities.

The University of Texas Health Science Center at San Antonio (UTHSC-SA)

UTHSC-SA is interested in providing clinical services in San Antonio State Hospital (SASH). In this model, DSHS would maintain the physical plant and retain responsibility for managing the infrastructure and administrative operations.

The medical school already staffs the acute short-term psychiatric services at University Hospital and operates a transitional care clinical to provide follow-up services. An arrangement with SASH would allow these functions to be integrated.

“We are most excited by the opportunity to shape public policy with regard to the seriously mentally ill to end the “revolving door” of hospital to Emergency Room that we are now experiencing.”

University of Texas Rio Grande Valley

The medical school suggested a variety of long term opportunities for partnership, which could include provision of clinical services for patients at the state hospital and the state supported living center, as well as management of the primary care outpatient clinic. The greatest interest for short-term projects include establishment of a psychiatric residency program, joint recruitment of physicians, and development of an integrated care program at the outpatient clinic.

“Partnership with Rio Grande State Center (RGSC) matches the overall mission of UTRGV, which is to engage the community and improve the health status and care of the underserved.”

Texas Tech University Health Science Center at El Paso

The Department of Psychiatry at Texas Tech University Health Science Center at El Paso (TTUHSC-EP) would consider collaborating with El Paso Psychiatric Center (EPPC) to provide the total administration and patient care. Their preferred scenario is to return EPPC to its prior status as a community-based hospital operated under local governance. As a local facility, EPPC would have a diversified funding base, but a large portion of beds would continue to serve state-funded clients through contract. If that is not possible, an arrangement could be explored in which EPPC maintains its status as a state hospital but with greater flexibility to diversify its business model and respond to local needs and priorities.

“Our vision is to return EPPC to its original status as a locally governed community partnership serving El Paso. Our goal is to provide state of the art care in this medically underserved area.”

University of Texas Medical Branch Correctional Managed Care

UTMB Correctional Managed Care (CMC) could consider a partnership with DSHS to provide healthcare services to patients in state hospitals located near its existing sites. DSHS would be responsible for administrative activities such as maintenance of the facilities and equipment, food and laundry service, and third party billing.

CMC is not directly connected with the medical school and operates as part of the UTMB Health system, reporting through the Chief Operations Officer. It was established to provide healthcare services to offenders in Texas state prisons, and now provides managed healthcare for offenders in adult and juvenile correctional facilities across the state, including two facilities providing inpatient mental health services for Texas Department of Criminal Justice (TDCJ).

“Taking advantage of state funded efficiencies within CMC such as telemedicine, electronic health record, centralized pharmacy, utilization review, and mature hospital network would be best use of these resources.”

The University of North Texas Health Science Center

While the conversation with the University of North Texas Health Science Center (UNTHSC) does not involve a state hospital, it is relevant in light of the Long Term Plan for the State Hospital System, which calls for a significant expansion in the number of state-purchased beds to address the need for additional capacity in the state hospital system.

In partnership with John Peter Smith Hospital (JPS), the UNTHSC is currently operating an inpatient program through contract with Tarrant County MHMR under the DSHS program to purchase local beds in lieu of expanding current state hospital capacity. JPS and the Tarrant County Commissioners are considering a bond package to build a new inpatient facility with added capacity, which offers the opportunity to expand the number of state-purchased beds.

Surrounding communities have sought to purchase beds at JPS, but those needs cannot be accommodated at the present time. However, UNTHSC is interested in exploring the feasibility of establishing a regional service operated jointly with JPS and supported by Tarrant County MHMR and other LMHAs consistent with the current model.

“We believe there may be opportunities for leveraging the existing university-public partnership to bring in new collaborative partners.”

DSHS Evaluation

Conceptual models lack the detail required for a complete evaluation, but it is possible to provide a high-level assessment of the likely benefits, challenges, and issues to be addressed based on past experience in Texas and in other states. Although many of the proposals have common features that suggest shared benefits and challenges, each of them has unique characteristics and issues to be resolved.

The following evaluation is applicable to the most common forms of collaboration, which are focused on educational and clinical activities and often feature active faculty involvement in the clinical services and staffing of a state hospital. Several of the proposed models are aligned with this approach. These proposals, offered by UTHSC-SA, UTRGV, and TTUHSC-EP, involve the provision of clinical services in a single state hospital and are aimed at developing more integrated local systems of care.

The issues highlighted below do not represent a complete list of the issues that would need to be examined and addressed should a concrete proposal emerge from any of the current discussions. Depending on the proposed scope of work and contractual arrangement, there will be many legal, contractual, personnel, and oversight considerations requiring detailed examination. It should also be noted that some of the issues are more relevant for certain proposals than for others, and each proposal will need to be considered individually.

- **Clinical environment.**
 - Potential benefits.
 - Integrated local service systems. Several universities plan to strengthen existing linkages and create more integrated and effective services in their local communities. Developing systems of care that integrate medical and behavioral health services could have a positive effect on the long term outcomes of individuals living in some of the largest communities in the state.
 - Improved coordination of medical care. Many universities are already providing services in the community, and some have developed extensive networks of medical and specialty providers. It may be easier for them to access and coordinate outside medical care for state hospital patients. Academic partnerships also offer opportunities to provide integrated medical and psychiatric services within the state hospitals.
 - Emphasis on best practices. As teaching institutions, medical schools are likely to bring an increased focus on maintaining fidelity with recognized best practices and expand the use of research-based interventions.
 - Development of improved interventions. Informed by the latest published studies, universities can conduct service-oriented research in the state hospitals to refine existing service strategies and develop improved interventions. In addition, bringing the knowledge, experience, and perspectives of two systems together can spur innovation and creative problem-solving. Through collaboration, university and state hospital staff could develop new approaches to persistent challenges and identify other opportunities for improving services and systems.

- Enhanced services. Universities are able to leverage outside resources to enhance services through their service-oriented research activities and pilot projects. Funding from grants and other sources can support implementation of enriched programming based on emerging models of care.
 - Broader use of telemedicine. Universities can leverage established telemedicine networks to provide outside consultation and care more efficiently.
 - Potential challenges and issues for consideration.
 - Integration with existing expertise. State hospitals already maintain a high standard of patient care, and many of the clinical staff at state hospitals are recognized for their expertise, particularly with special populations. A number of programs reflect best practices and innovative programs designed for the challenging populations and circumstances found in state hospitals. Any successful partnership will require mutual respect and an ability to create a service environment that integrates the expertise and experience of both institutions.
 - Forensic population. Forensic patients now comprise more than fifty percent of the state hospital population. Treatment objectives and legal criteria are different than for the civil population, and universities may have limited experience in this area.
 - New responsibilities. Universities may need to gain experience in activities that are not required in a local hospital, such as forensic evaluations, extensive interface with civil and criminal courts, and discharge planning for patients outside the local service area.
- **Staffing and personnel.**
 - Potential benefits.
 - Expanded residency programs. Close collaborative relationships are likely to expand residency programs, bringing more residents into the state hospital system and growing the pool of graduates with experience and interest in public mental health.
 - Enhanced recruitment and retention. These partnerships could have a positive impact on staff recruitment and retention. The most pronounced effects are likely to be in the ability to recruit psychiatrists and other medical staff. In other states, similar programs have been extremely successful in attracting and keeping new graduates within the state hospital system. In addition, the prestige and benefits of university appointment may enhance the ability to attract medical staff from outside the system. A rich learning environment and the status of university affiliation may also assist in recruiting other clinical staff.
 - Staff development. University participation is likely to expand and improve staff training and offer additional opportunities for professional development.
 - Greater focus on public service in education programs. State-university collaboration can also amplify the focus on public service within educational institutions and stimulate development of new courses, materials, and programs focused on the populations and unique challenges of the public sector.
 - More flexibility. Universities may have greater flexibility in staffing and personnel decisions, which could make it easier to fill vacancies and maintain needed staffing levels.

- Potential challenges and issues for consideration.
 - Transition from the Employee Retirement System (ERS) to the Teacher Retirement System (TRS). DSHS employees are covered under ERS, while university employees are covered under TRS. It will be necessary to examine the impact upon retirement eligibility/benefits of transferring employees, especially those who are close to retirement or who are return-to-work retirees.
 - Patient protections. State oversight bodies charged with protecting patients and investigating potential violations may restrict certain kinds of research. In addition, some faculty may be uncomfortable with the level of monitoring and public reporting requirements for allegations of client rights violations. These considerations might make the partnership less attractive to faculty and could potentially present recruitment challenges.
 - Increased staffing challenges in other state hospitals. The benefits of university affiliation at one state hospital could increase recruitment and retention challenges for other state hospitals, particularly if the hospital is relatively close to other facilities in the system.
 - Visa issues. There may be transfer limitations or delays for employees working under an HB-1 visa.
 - Revolving door limitations. State law limits the extent to which some departing agency employees can be employed by contractors. Although each case would need to be examined for applicability, there is the potential for these statutes to limit seamless transitions for some employees.
- **Legal and administrative.**
 - Potential benefits.
 - University level infrastructure and administrative support. Universities may have more extensive and modernized systems to support administrative functions.
 - Potential challenges and issues for consideration.
 - Incompatible electronic records and data systems. The state hospital system has its own electronic records system, and universities use a variety of different systems. For universities seeking greater integration with local systems of care, a single electronic records system would be optimal. However, converting a single state hospital to a different electronic records system would require development of a seamless data exchange interface to preserve the state's ability to monitor and manage the state hospital system and provide complete and timely data. If the state hospital maintained the existing state system, an electronic interface would likely be needed to facilitate information exchange and care coordination. Depending on the scope of the project, compatibility of other data systems may also need to be considered.
 - Partnership cohesion. Any partnership will encounter challenges associated with competing priorities, personnel changes, economic fluctuations, outside pressures, and other issues. The agreement will need to include structures to support ongoing sustainability, including formal channels for ongoing communication and procedures for resolving differences.
 - Overlapping clinical and administrative roles. There is no distinct line between clinical and administrative roles in the state hospitals, and any dual management model will have challenges clearly defining the authority and responsibilities of each

- party. It will be necessary to develop an effective working relationship in which competing priorities and approaches can be resolved constructively.
- Supervisory relationships. If a university employs only the professional clinical staff, there may be accountability and liability issues where clinical staff supervise non-clinical staff such as psychiatric nurse assistants.
 - Dual policies and procedures. Universities recognize the need to manage the state hospital system under uniform standards and are willing to function within existing regulations and procedures. However, working under two sets of policies and procedures may lead to confusing and potentially conflicting pathways for addressing compliance and performance issues.
 - Control over personnel decisions. DSHS would have no direct control over decisions involving university employees. Should any situations arise that involve serious adverse events or clinical performance issues, the two parties may not agree on the appropriate course of action.
 - Existing contracts and service agreements. Depending on the scope of services to be performed, the status of related contracts would need to be reviewed. If existing contracts are assigned to the university, or if the university identifies new or additional subcontractors, there could be delayed or attenuated control over subcontractor performance for which DSHS would ultimately remain accountable.
 - Different cultures. Organizational culture—the values, behaviors, structures, processes, and incentives of an organization—can be a critical factor in the success or failure of any collaborative project. Examinations of failed partnerships suggest that the importance and challenge of meshing different organizational cultures are often underestimated.⁶
- **Financial.**
 - Potential benefits.
 - Shared resources. Directing complementary resources toward a common goal can maximize the impact, and state-university collaboration pools the resources of both institutions to support the state hospital mission. With state funds supporting basic clinic services and infrastructure, university resources can support workforce development and research activities to strengthen the service delivery system. Universities can also attract outside funding to enhance services through grants and other funding opportunities. In addition, academic institutions can leverage existing relationships to engage other public and private partners in broader coalitions to support a more integrated system of care. It may also be possible for universities to mobilize resources more quickly to support special projects.
 - Potential challenges and issues for consideration.
 - Higher budgets. Universities require contracts that protect them from financial risk. It is likely that a contract covering a university’s operational and administrative expenses would be higher than current operating costs.
 - Implementation costs. The scope and complexity of a state-university collaboration involving state hospital will have associated implementation costs. In addition to the human resources needed for planning and preparation, additional investment may be needed in areas such as information technology.

⁶ Sidorov, Jaan. Case Study of a Failed Merger of Hospital Systems. *Managed Care*. 2003; November: 56-60.

- Third party revenue and disproportionate share payments. Any agreement would need to be carefully structured to ensure maximization of third-party revenue and protection of disproportionate share payments. The state hospital budgets include targets for third party revenue, and a minimum threshold of patient bed days with paid Medicaid claims is required for a hospital to qualify for disproportionate share payments.
- Facility costs. State hospitals have a significant backlog of deferred maintenance and some are in poor condition. Additional funds may be needed to bring facilities into a state acceptable to universities.
- Added contract management expenses. Additional state staff will be needed for contract management and oversight.
- Reduced budget flexibility. State hospitals operate on limited budgets and often face unexpected costs, particularly for facility repairs and outside medical care. The ability to move funds between budget categories is an essential tool for budget management. If a significant portion of personnel funds are moved into a contract, it will be more difficult to manage the budget for the entire state hospital system. In addition, such an arrangement could inadvertently result in preferential budget status for the associated state hospital and exacerbate fiscal challenges for the other hospitals.
- Costs for retirement contributions. Funds for the state's share of ERS contributions are not included in the DSHS budget, while funds for TRS contributions are included in university budgets. Transitioning staff positions from the state to the university system will require concurrent transfer of funds to cover retirement contributions.

Conclusion

DSHS is engaged in a number of activities to expand academic linkages. Through ongoing meetings with leaders from universities from across the state, the department is exploring opportunities for new partnerships involving state hospitals. A number of medical schools have described conceptual models for collaboration that they are interested in exploring, each with a different set of potential benefits, risks, and challenges. Further work is needed to explore the feasibility of these and other potential models.

Appendix A: Participating Universities

University of Texas Rio Grande Valley
University of Texas Health Science Center, Tyler
UT Dell Medical School
UT Southwestern Medical Center
Texas Tech University Health Science Center, El Paso
Texas Tech University Health Science Center, Lubbock
University of North Texas Health Science Center
University of Texas Health Science Center, San Antonio
University of Texas Health Science Center, Houston
University of Texas Medical Branch
Texas A&M University Health Science Center

Appendix B: Information from other States

The following tables summarize the results of a brief survey sent to the Medical Directors of other State Mental Health Authorities.

Table 1. Types of State-University Collaborations: Number of Responding States

Collaborative Activities	Hospital Based	Community Based
Residency/internship programs	10	8
Provision of professional staff	8	7
Research and evaluation programs	6	5
Development and dissemination of best practices	4	5
Telemedicine and other technologies	3	5
Performance improvement initiatives	3	4
Joint operation of a state hospital/clinic	3	2
University operation of state hospital/clinic	1	0
Other	3	2
Total States Responding to Survey	12	12

Table 2. Areas of Special Focus: Number of Responding States

Areas of Special Focus	Number of States
Forensic services	9
Co-occurring psychiatric and substance disorders	6
Early-onset psychosis	5
Integrated care	4
Trauma-informed care	3
Pharmacology	3
Recovery and resilience	1
Other	1
Total States Responding to Survey	12

DSHS had an opportunity to interview the medical directors of five other state mental health authorities.

Kentucky

Allen J. Brenzel, M.D.

Kentucky has a long history of university-state health collaboration. Dr. Brenzel is a member of the faculty of the University of Kentucky, College of Medicine, Department of Psychiatry and is under contract to serve as the state's medical director for the Department for Behavioral Health, Developmental and Intellectual Disabilities (BHDID).

Historically, the University of Kentucky, department of psychiatry, received state approved funding to support the training and placement of psychiatry residents in training at Eastern State Hospital (ESH) in Lexington (one of the four state psychiatric hospitals). Since the 1970's, a significant number of full time attending psychiatrist at ESH have been granted faculty positions in the UK Department of Psychiatry.

In 2013, Kentucky built a 128 million dollar facility at a new location in Lexington to replace the antiquated previous campus that was initially built in 1864. Up until that time, management of ESH was contracted to the local Community Mental Health Center (CMHC). Upon completion of facility, the state reached out to UKhealthcare (UKHC), the clinical management structure for UK Hospital, to manage the new campus. The rationale for this was based on improving clinical leadership and supporting the hospital, better integrating the psychiatric hospital within the larger healthcare system, and the opportunity to create educational and research partnerships with the University to training the next generations of clinicians prepared to work with public sector and develop and test new evidence based therapies to disseminate to other state operate facilities. The goals is to create a Center of Behavioral Health Excellence for Kentucky.

ESH is primarily an acute-care psychiatric facility providing short term care for civilly committed patients, with an average length of stay around 20 days. UKHC staffs and manages the hospital and is responsible for service delivery, administrative services, day-to-day maintenance, and security. The hospital's advisory board reviews data and monitors utilization, but UKHC is responsible for managing capacity. The state has an outside vendor for repairs, work covered under warranty, and other major expenses.

Contract negotiations took six months, and UKHC required a short-term contract (from January to September) to allow for ramp-up before services began. One of the more difficult issues was related to state benefits. As in Texas, the universities have a separate retirement plan, which created concerns for UKH and for hospital staff. Some individuals close to retirement were allowed to remain employees of the previous management entity during a transitional period.

A number of challenges emerged during the transition. UKHC had limited experience working with the population served by the state hospital. Managing ESH required a focus on serving people in the community, avoiding hospitalization, and minimizing length of stay. UKHC was also less unaccustomed to working with the public, advocates, and other stakeholders in the area of behavioral health safety net services.

The change in management had a large impact on medical staff. Although physicians were offered faculty appointments at the University of Kentucky, the hospital experienced near 100 percent turnover among its medical staff within the first year. Contributing factors included retirement concerns, opportunities for salary increases outside of the state system, more defined performance expectations, leadership changes, and increased workloads resulting from greater use of advanced nurse practitioners. For a period of time, ESH relied on locum tenens agreements for some full time positions. The situation is stabilizing, but physician recruitment continues to be extremely challenging.

The arrangement has yielded benefits for both parties. At ESH, the involvement of UKHC has strengthened quality improvement systems and prioritized the use of data-driven decision making. At UKHC, the partnership has elevated the status of behavioral health within the larger healthcare organization. With payors moving towards pay-for-performance reimbursement models, there is greater recognition throughout the UKHC system that lifestyle and behavioral health issues must be addressed in order to achieve improved outcomes. The partnership with ESH is seen as a key step in moving towards a fully integrated system of care.

The Kentucky experience points to a number of key factors in building a successful collaboration. Strong champions in leadership positions are needed to back the partnership and guide it through the challenges that arise. Personal relationships and leadership styles are important, particularly when working to integrate organizations with different operational models and cultures. Staff must feel respected and valued, and concerns related to pay and benefits need to be appropriately addressed.

Ohio

Mark Hurst, M.D.

All six of Ohio's state hospitals have linkages with medical schools and are affiliated with residency programs. Three medical schools also have forensic psychiatric fellowships affiliated with state hospitals in urban areas. Hospital psychiatrists responsible for supervising residents have faculty appointments and also receive a three percent pay supplement.

At some of the hospitals, university medical staff provide primary care services or specialty medical care onsite and additional specialty medical care is provided at the academic medical center. In addition, university faculty occasionally consult on special cases, such as those with complex psychopharmacology or neurology issues. A few research studies have been conducted, but there is not a well-developed research program.

In conjunction with an educational loan repayment program, the residency programs and forensic fellowships have been effective recruiting tools; hospitals often attract one or more new graduates every year. The forensic fellowships have been particularly valuable and helpful in recruiting staff and are an excellent investment.

Two key factors contribute to the success of the state-university collaboration:

- Relationships. The collaboration benefits from congenial and forward-thinking leaders on both sides.

- Quality rotations for residents. Care is taken to make the residency rotations a good experience. Residents are supervised by the best state hospital psychiatrists, individuals who find satisfaction in their work and enjoy teaching.

New Mexico

Caroline Bonham, M.D.

New Mexico is a sparsely populated state which until recently has only had one medical school. This context has facilitated a long history of state-university collaboration in behavioral health. The state has three behavioral health entities: the Department of Health oversees the state hospitals, the Human Services Department is responsible for Medicaid, serves as the Mental Health and Substance Abuse State Authority for the state and runs the adult portion of the state behavioral health care, and the Children Youth and Families Department runs the children's portion of state behavioral health care system. All three entities are members of the state Behavioral Health Collaborative. The state provides funding to the university for 50 percent of the salary of a faculty member to serve as the psychiatric consultant/ acting medical director for the Behavioral Health Collaborative. The state also provides funding for elective rural rotations for psychiatric residents to encourage community based training and awareness of rural and frontier health.

Over the years, the state and the University of New Mexico have had several discussions to explore whether it would make sense for the university to manage the state hospitals. University leaders felt that that the university's expertise lay in the areas of clinical best practices and training, not in hospital management, and that they could best contribute by providing consultation.

The state contracts with the university to provide a training, research, and evaluation team, which has been in place for ten years. The state often identifies clinical or infrastructure needs, and the university identifies associated grant opportunities and takes the lead in grant applications. When a grant is awarded, the university serves as the grant research and evaluation team. The university also provides clinical consultation related to these projects, such as improving clinical processes, developing outcome measures and delivering continuing education on clinical models. These projects serve as a vehicle for dissemination of best practices.

New Mexico has a huge workforce challenge. Many master's level clinicians in rural communities are provisionally licensed and the state does not have a sufficient workforce to offer supervision and build capacity. Recently, the state began funding the university to provide telehealth supervision to help individuals achieve full licensure.

The strong relationship between the state and the university has been influenced by leaders who worked in the state system and then moved over to the university system. These individuals had a strong commitment to public health and personal connections that were instrumental in building bridges between the two systems.

State-university collaboration has benefited both partners, and by working together they have been able to share limited resources. The university receives some monetary support for faculty

responsible for supervising residents, and the partnership has attracted individuals with a strong commitment to public health. The state's unique patient population also offers faculty great research opportunities, and there is some synergy around the choice of topics for research and a commitment on both sides to community based participatory research. The state benefits from the university's clinical experience and expertise, as well as the ability to quickly mobilize university resources for special projects. In addition, the rural residency program has been helpful in recruitment for practitioners who want to work in underserved communities.

The partnership has not been without challenges. One of them is the difference in cultures and priorities. The state's top priorities are access to care, service delivery, and compliance with regulations. The university has as part of its mission improving health outcomes for the state, but its core priorities are education, research, and providing care within the local community. While there have sometimes been difficulties in bridging state and academic cultures, the involvement of the university provides a wider perspective to the state's workforce. Similarly, the partnership with the state brings a population health perspective to university efforts. Another difficulty has been reconciling work in the state system with tenure track criteria, which emphasize research and publication. There are efforts to widen the scope of what is considered legitimate research and publication to allow, for example, a state report to be considered equally with a peer reviewed journal article. Another ongoing challenge has been the difficulties for both the state and the university to process contracts in a timely manner.

Overcoming these challenges has required partners to forge close personal relationships with a high level of trust. It has been important to create a culture that values collaboration, and to acknowledge the value of the other party's priorities and work for win-win circumstances. For individuals who straddle the two systems, there must also be clarity about which party the individual is representing in any given forum.

Vermont

Jaskanwar Batra, M.D.

Vermont is a very small state, and the only medical school is the College of Medicine at the University of Vermont (UVM). UVM runs the state's largest health care system, and has formed the state's largest Accountable Care Organization. The state-university collaboration includes residency programs, staffing, and research.

The university has provided both the Medical Director and the medical staff at the state hospital since the 1980s and is responsible for all medical and psychiatric services. UVM also provides clinical leadership and direction for community-based services and collaborates with state officials in the clinical oversight of state-funded inpatient and outpatient programs throughout the state. Medical staff have voluntary full faculty appointments that include active teaching and publishing.

UVM has a very strong child psychiatry program, and has done significant clinical and genetic research in this area, including development of a service model called the "Vermont Family-Based Approach" that is being piloted in two communities. The recently established

telemedicine program is now connecting state hospital psychiatrists with critical access hospitals to perform a particular psychiatric assessment required for an emergency hold.

UVM residents complete forensic and inpatient psychiatry rotations at the state hospitals, and also spend one day per week working in community centers. State funding helps to support these rotations, and the state also provides substantial funding for a children's fellowship. These efforts have had a significant impact on recruitment. There is a "night-and-day" difference in graduate recruitment between sites that host rotations and those that do not.

The state-university collaboration has had other positive outcomes. The state benefits from high-quality psychiatrists, which also helps with staff recruitment and retention. Moreover, state hospital psychiatrists are not isolated in the public sector; they are actively involved in teaching and in touch with new advances within the field.

California

Katherine Warburton, D.O.

State-university collaboration in California encompasses academic training programs, continuing education, and research. The department's director, Charles Scott, and Dr. Steven Stahl at the University of California have been key champions for the collaboration and instrumental to its success.

Five of California's state hospitals have long-standing academic partnerships involving psychiatric residency programs and forensic fellowships. These programs were reduced when the state faced serious economic challenges, leading to recruitment challenges. The department is now trying to rebuild these programs. A poll of state hospital medical directors found that the forensic fellowships were the most powerful recruitment tools, and efforts are underway to establish a forensic fellowship at each of the state hospitals.

The department has a statewide CME program focused on forensics and psychopharmacology, and it contracts with the University of California Davis (UC Davis) to provide the forensic lectures. State hospital staff with university connections conduct the psychopharmacology lectures.

The state also funds a fulltime research psychologist provided by UC Davis, and all clinical changes in the hospitals are based on her published research. This process creates a pathway for implementing research-based best practices throughout the state hospital system.

The state has benefited from improved recruitment and retention. Staff feel valued and morale has increased, contributing to improved patient care. The state also has a growing reputation due to its research and publication. Because a white paper is produced prior to clinical changes, the program has imposed a discipline for evidence-based decisions. The collaboration has created an environment where people can have prestige and pursue their academic interests within the care environment, generating a snowball effect that is felt throughout the system.

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Appendix D: Lessons from the Literature

State-university collaboration can provide significant benefits and help both parties fulfill their missions more effectively. However, not all such partnerships are successful. Some fail altogether, and others struggle to overcome challenges and resolve conflicts. Reviews of past efforts highlight a number of recurring themes in defining the factors that promote success and those that contribute to conflict and failure. These lessons are useful in assessing whether the necessary ingredients are present to support a successful partnership, establishing the structures and processes to promote constructive engagement, and building a positive and durable relationship.

While the literatures provides a rich discussion of these issues, the following list simply highlights a number of consistently identified factors applicable to a range of collaborative models.

Factors that Contribute to Successful Partnerships

1. Strong and committed leadership on both sides.
Leadership is perhaps the most important factor in the success or failure of any partnership. Individuals in positions of power must fully and visibly champion the project and make a long-term investment of time and effort. Verbal support must be accompanied by commitment of appropriate resources for the duration of the partnership. Leaders who are positive, persistent, and knowledgeable are well-equipped to address challenges and serve as role models.
2. Personal attitudes and relationships.
The attributes of key individuals responsible for implementing the partnership are also critical. Team members who are optimistic, enthusiastic, trusting, flexible, creative, solution-oriented, and persistent promote a culture of collaboration and are more successful in working through the tensions and challenges that arise. Most successful partnerships are due in part to the development of close personal relationships that help the alliance endure through difficult periods. It is also helpful to have formal liaisons with experience in both systems to help bridge the cultural and organizational gaps.
3. Shared values and goals that benefit both parties.
Enduring state-university relationships are built on a set of shared values oriented toward the public mental health system and the provision of quality care for individuals with serious mental illness. But even with shared values, no partnership can be successful if the two parties are working towards different goals. Because the two institutions have different missions and priorities, there must be a commitment to identifying and achieving goals that that meet the needs of both parties and allow them to be successful.
4. Culture of collaboration.
Collaboration requires mutual respect and trust, with each side recognizing and valuing the strengths and expertise contributed by the other. It is equally important to understand the other side's different priorities and organizational constraints and be willing to compromise. When conflicts and challenges emerge, there must be honest and open dialog focused on finding solutions rather than protecting territory and interests.

5. Well-designed program.
The program must have clear, specific, and achievable goals. An initial focus on narrower goals can lay the foundation for more complex undertakings by building strong relationships, developing trust and resiliency, and establishing a track record of success. Careful planning and preparation are essential, with sufficient time allocated to this phase to work through complicated issues and areas of disagreement. The program design must support the desired goals and include appropriate support and incentives for those involved, with implementation yielding collective and individual benefits.
6. Durable organizational structure.
Longevity requires a strong organizational and legal structure, with clearly delineated roles and responsibilities. To endure through personnel changes and period of tension, there must be formalized channels for communication and consultation and defined mechanisms for conflict resolution. Processes for evaluation and improvement are also important.
7. Sustainability.
A number of other critical factors promote sustainability. Adequate funding is essential, with recognition of the costs of collaboration. Without long-term commitments and budget stability, institutions may be unwilling to invest the resources and effort required for the partnership to be successful. Geographic proximity is another important and often underestimated factor. Longevity is also more likely when the two institutions have similar cultures, demographics, and organizational structures and processes.

Factors that Contribute to Failed Partnerships

1. Weak leadership.
Partnerships can be hindered by weak, divided, or negative leadership. Leaders may voice support for a project but be unwilling or unable to devote the time and effort needed to support its success. It is also problematic if leaders are not aligned with others in their institutions, particularly those most affected by the collaboration.
2. Negative attitudes.
Mistrust and resentment are among the most common and challenging dynamics in any collaborations. Conflict within a partnership often results from turf battles, hidden agendas, and fear of exploitation. Talbott and Greenblatt⁷ have identified specific negative attitudes sometimes found among university and state hospital personnel involved in collaborative projects. University staff may see themselves as superior and display a disparaging attitude toward state hospital staff, failing to recognize their expertise and what they have to teach faculty and residents. State hospital staff often fear the university is set on pushing them out and taking over the hospital for its own benefit. They may also see faculty as operating in privileged environment and ill-equipped to deal with the challenges of the state hospital.
3. Financial issues.
Some projects have dissolved in the face of financial concerns such as short-term commitments, financial disincentives, unexpected funding cuts, and the uncertain nature

⁷ Talbot JA, Greenblatt M. Lessons Learned: What Works and Doesn't Work, and How to Overcome Resistances. In: Talbott JA, Robinowitz CB, eds. *Working Together: State-University Collaboration in Mental Health*. Washington, DC: American Psychiatric Press; 1986: 200-201.

of government funding. Insufficient resources to support the costs of collaboration can also undermine a partnership.

4. Deficiencies in state facilities and systems.
Old facilities in poor condition can be an obstacle to collaboration. Universities may also be deterred by staffing challenges, excessive caseload and service demands, and substandard working conditions.
5. Rigid bureaucracies.
Large institutions are characterized by complex hierarchies and long chains of decision-making. While both universities and state governments often lack the flexibility and nimbleness to facilitate collaboration, state bureaucracies may be particularly challenging to navigate.
6. Real or perceived preferential status.
Programs focused on specific components within a system may inadvertently create a two-tiered organization where some individuals or programs are perceived as having preferential status. Real or perceived inequalities can create resentment and undermine the entire effort. Any partnership must consider the potential impact on other programs and the system as a whole.
7. Diffuse accountability.
A weak organizational structure with poorly defined roles can result in diffuse accountability. When objectives are not clear and multiple parties share responsibility, problems may be difficult to resolve and lead to conflict.
8. Lack of political support.
Universities and state hospitals operate in a political environment. Changes in leadership, political divisions, fluctuations in the state's financial position, and lack of stakeholder support can destabilize a state-university partnership.
9. Long geographic distances.
It is difficult for a state-university partnership focused on service delivery to succeed without close physical proximity. Long distances have contributed to the demise of some projects.

Appendix E: Letter from the University of Texas Office of Health Affairs



THE UNIVERSITY of TEXAS SYSTEM
FOURTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

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August 3, 2016

Lauren Lacefield Lewis
Assistant Commissioner for Behavioral Health Services
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Dear Assistant Commissioner Lewis:

Over the past few years there's been a growing awareness of the need to modernize our state hospital system, which was designed and built in the context of 19th and 20th century demographics and now-outdated notions of mental health and illness. Furthermore, additional capacity needs to be added throughout the state, especially in urban communities.

During the 84th legislative session, in recognition of the urgency of the need, the Department of State Health Services (DSHS) was charged with evaluating the potential benefits of increasing the involvement of university health institutions in the operation of the state hospitals. It was charged as well, in the event of funds being available, with offering proposals for specific collaborations.

The State Hospital System Long-Term Plan highlighted existing collaborations in this realm, as well as the potential for future partnerships. Since stepping down as the DSHS Commissioner in January 2015, I have had the opportunity to embed more thoroughly with behavioral health leaders from the state's university health institutions, and to understand the potential benefits and challenges of collaboration from the academic perspective. In particular, we have convened a regular meeting of the chairs of psychiatry from UT System medical institutions, as well as from the Texas Tech, University of North Texas and Baylor medical schools. Our meetings also included representatives from philanthropic foundations, health non-profits, and state and local health agencies.

As a result of these meetings, as well as the work that's been ongoing at DSHS and HHSC, a more concrete picture has begun to coalesce of the role that our university health institutions can play in reforming and modernizing our state hospital system, providing more humane and effective care at the hospitals, integrating the care of patients into the community so that there's less need for many to make use of the hospitals, and providing support to patients and their families in the process of transitioning into and out of the hospitals.

The University of Texas at Arlington · The University of Texas at Austin · The University of Texas at Dallas · The University of Texas at El Paso
The University of Texas of the Permian Basin · The University of Texas Rio Grande Valley · The University of Texas at San Antonio
The University of Texas at Tyler · The University of Texas Southwestern Medical Center · The University of Texas Medical Branch at Galveston
The University of Texas Health Science Center at Houston · The University of Texas Health Science Center at San Antonio
The University of Texas MD Anderson Cancer Center · The University of Texas Health Science Center at Tyler

In conceptualizing how Texas could go about forming these collaborations, it's useful to look to the example of a number of other states that have developed strong partnerships between their state hospitals and academic institutions. These models have taken various forms, ranging from expansion of residency programs and other workforce development initiatives, to inclusion of the state facility physicians and staff into the practice plans of the universities, to full university management or ownership of the state mental health facilities. Where state hospital facilities have proven too outdated, too dilapidated, or too remote to allow for modernization at the existing sites, academic health centers have also played a key role as sites for new facilities and as transitional sites while new facilities are being constructed.

The nature of potential collaborations in Texas varies depending on the local circumstances and capacities of the academic institution. Possibilities within the UT System could include the following:

UT Health Northeast

An already existing partnership model that could be expanded is located at UT Health Northeast. Currently DSHS purchases 30 longer term residential beds from UT Health Northeast. This care is integrated into this multidisciplinary hospital, and has provided a base for this institution to provide other mental health services to the community, including additional inpatient and crisis services and a psychiatric emergency room. If desired by the legislature, UT Health Northeast could expand its civil capacity by an additional 30 beds.

UT Health Northeast is currently partnering with Rusk State Hospital (RSH) in the development of a psychiatric residency program based at Rusk. If RSH were replaced, this partnership could be expanded over time, including incorporation of RSH medical faculty into the UT Health Northeast practice plan and potential assistance in the management of the new facility.

UT Austin Dell Medical School and Austin State Hospital

In Austin a key factor in a potential collaboration is the creation of the new Dell Medical School at The University of Texas at Austin, with its explicitly community-focused mission. This offers the opportunity for a deep alignment between its psychiatry department, which is in the process of being created; the needs and capacities of Austin State Hospital (ASH), which is geographically close to The University of Texas at Austin campus; and the interests and resources of local health organizations like Central Health and Austin Travis County Integral Care.

In this vision, not only would the medical school's psychiatric residency program use ASH as a primary training site, the psychiatry department would also locate some of its offices at

ASH, and the medical school would create a Brain Institute onsite. In addition, Austin Travis County Integral Care would build an outpatient clinic space, and potential partners (including Central Health, the City of Austin, and others) could provide wrap around services such as crisis services, a psychiatric emergency room, and alcohol and substance abuse services. I believe such a collaboration would transform mental health service in Central Texas.

Harris County Academic-State Partnership

In Harris County there is already a model collaboration, in the Harris County Psychiatric Center, that incorporates the resources and expertise of the state (DSHS), academia (UT Health Science Center Houston), and the county (Harris Center for Mental Health and Intellectual and Developmental Disability).

The success of this model, and the excellent condition and contemporary design of the facility, suggest that opportunity lies in scaling up. One proposal is to increase capacity at the Harris County Psychiatric Center by 299 beds. About half of these beds would be for short term acute and sub-acute patients. The other half would be community based residential beds intended both to facilitate the transition from acute and sub-acute care, and to provide crisis respite and supported housing that could pre-empt the need for later (and more expensive) acute care.

UT Southwestern

Currently no state mental health hospital exists in Dallas. Instead, people in need of services are sent to Terrell State Hospital. If desired by the legislature, UT Southwestern Medical Center in Dallas could build and manage a new 150-bed (or larger) civil and medical/geriatric psychiatric facility that could serve as the primary site for civil capacity in Dallas. UT Southwestern is also interested in expanding residency training opportunities with Terrell State Hospital, and could potentially incorporate clinical staff at the hospital into the UT practice plan.

Other Possibilities within the UT System

San Antonio State Hospital (SASH) needs to be replaced soon, and the potential for partnership with UT HSC San Antonio exists. Unfortunately, these two campuses are on opposite ends of San Antonio. When SASH is replaced, relocation to the campus of UTHSC SA would facilitate collaboration and integration into the other health services provided by UTHSC San Antonio.

Finally, collaboration between UT Rio Grande Valley and the Rio Grande State Center is attractive. At this time, UTRGV has just established its residency program and will use

RGSC as a site for training. Additional collaborations are possible once UTRGV fully establishes its new medical school.

Other Statewide Opportunities to Improve Collaboration

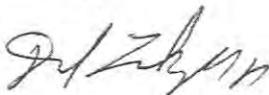
During our meetings with the psychiatry chairs across Texas, we have discussed the current partnership between UTSW and its local mental health authority, MetroCare. Currently MetroCare pays UTSW to provide psychiatric residents and one psychiatric faculty member to train and provide services in its facility. This partnership has been proven to be very valuable to both entities. Furthermore, residents that train under this model are much more likely to work in the public mental health system upon graduation. The psychiatric chairs are very interested in ways to duplicate this successful model at other sites.

Finally, we believe there is a good opportunity to use telehealth to improve the delivery of psychiatric services in Texas, especially in rural areas. The UT Board of Regents has made an investment to improve this capability among the UT Health Science Centers. Other academic systems in Texas have invested in telehealth as well. Expanding this capacity to rural hospitals and providers, local mental health authorities, and state hospitals could dramatically improve the provision of mental health services throughout Texas.

Please note that three requirements would have to occur for any of these options to move forward from a UT System standpoint. First, the facilities would need to be replaced or significantly repaired so that our accreditation is not jeopardized. Second, our institutions would have to be reimbursed in a way that would cover all their true operating costs, and any construction and depreciation costs where appropriate. Finally, the plan would have to be approved by the UT Board of Regents.

I have seen enormous interest from both the academic and governmental sides in pursuing collaboration, and enormous potential energy to commit to such an endeavor. Successful collaboration will require a thoughtful and deliberate approach, sensitive to local conditions and needs. The University of Texas System looks forward to working with the State of Texas in solving this critical problem and improving the mental health system.

Sincerely



David Lakey, M.D.
Chief Medical Officer
Associate Vice Chancellor for Population Health