PSYCHIATRIC CRISIS REDESIGN IN MILWAUKEE COUNTY

Fiscal Analysis of Phase One Recommendations
Presentation by Wipfli LLP
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Scope of Fiscal Analysis

• Identify key operating assumptions, including licensure options, and estimate the financial outcome of a new Centralized Psychiatric Emergency Department (ED).

• Compare that outcome to a decentralized model of care for emergency crisis services.

• Evaluate Milwaukee County’s tax levy funding potentially available to support the new psychiatric crisis continuum (including the ED).
Phase One Report Conclusions

Expectations of a Future Dedicated Psychiatric ED:

- Would have appropriate clinical expertise, physical environment, and legal acumen.
- Would serve a narrower population — mainly individuals under emergency detentions with highly complex needs, assuming a broader array of community-based options.
- BHD would retain Milwaukee County’s legal Treatment Director function.
Fiscal Analysis Conclusions

Centralized Psychiatric ED Model:

- Funding would be required above service-based reimbursement by $12M to $16M annually. In addition, start-up and capital funding would be required.

Decentralized Psychiatric ED Model:

- Funding would be required above service-based reimbursement by $21M to $30M annually. In addition, a number of significant operational, workforce, clinical, legal, and other factors and concerns were cited with this option.
Fiscal Analysis Conclusions

Milwaukee County Tax Levy:

• Approximately **$7.3M** will be available from the Milwaukee County tax levy to support the full continuum of psychiatric crisis services, including the dedicated Psychiatric ED.

• In addition to support for a dedicated Psychiatric ED, tax levy funding may be required for new and enhanced community services.

• The actual level of taxy levy funding to support the dedicated Psychiatric ED has yet to be determined.
Fiscal Analysis Conclusions

In Summary:

• The Financial Assessment supported Phase One recommendations to develop a Centralized Psychiatric ED model of care as a key component to the Crisis Redesign Initiative in Milwaukee County.

• Milwaukee County tax levy funding may allow for some level of funding to offset the expected operating losses of a Centralized Psychiatric ED; however, additional funding sources will also be required.

• Recommendations regarding next steps in the process are pending.