

Alternate Level of Care

Hospital Beds as a Costly Housing Substitute for People with Mental Health Issues

Reena Sirohi

Susan Eckerle Curwood

Nick Kerman

John Trainor

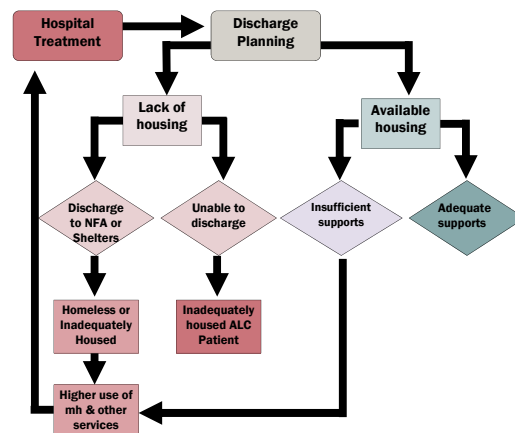
INTRODUCTION

In 2009 the Mental Health Commission of Canada contracted the Centre for Addiction and Mental Health and the Canadian Council on Social Development to undertake a national scan of housing and related supports for people living with mental illness across Canada. Released in 2012, the study determined that as many as 520,700 people living with mental illness are inadequately housed in Canada.

Alternate level of care (ALC) is used to describe patients who no longer require hospitalization but remain in hospital until discharge to a more appropriate level of service (e.g., high support housing). They remain in limbo in hospitals when they could be living in the community because there is nowhere suitable to be discharged due to a lack of appropriate housing and support options. The study also determined there are only 25,367 housing units dedicated to people living with mental illness available in Canada. The costs of this are high—people who do not need the level of support a hospital provides occupy expensive beds.

The ALC issue was widely mentioned across the country by people who contributed to the Turning the Key report, and in many provinces and territories as an important priority. Many studies have turned to examine the economic case for providing supported housing options as a financially viable alternative to bed blocking in hospitals.

The following diagram locates ALC patients in hospital discharge planning for people with mental illness.



METHOD

Building on the literature scan from Turning the Key, a meta-analysis is being conducted on the cost of hospital beds and supportive housing for people with mental illness, in order to answer the question 'is the cost of an ALC bed higher than the cost of providing housing with supports for people with mental illness?'

This meta-analysis will integrate the findings from primary research calculating costs on hospital beds, and housing with supports for people with mental illness. A comprehensive search of the literature is being conducted to locate relevant studies to be included. Using these criteria, abstracts from electronic searches, references from primary studies and review articles are being examined to identify potential studies. A total of 10 sources, with 27 cost estimates, have met the criteria to date.

FINDINGS

| Hospital Bed | Cost Per Diem | Additional Information | Source |
|---|----------------|--|--------------------------------------|
| Average across Canada | 895.09 | Data not available for every mental health related illness; only includes available data | CIHI Patient Cost Calculator, 2009 |
| London and Middlesex, Ontario | 492.10 | | Goldberg, Norman, Hoch, et al., 2006 |
| London and Middlesex, Ontario | 1855.37 | Intensive Observation Unit | Goldberg, Norman, Hoch, et al., 2006 |
| Ontario | 487.00 | Noted in study as an "inpatient admission" | Cheung, Dewa, & Wasylenko, 2003 |
| Ottawa, Ontario | 550.00 | | Ottawa ALC Strategic Committee, 2006 |
| Toronto, Ontario | 665.00 | Psychiatric Inpatient | City of Toronto, 2009 |
| Toronto, Ontario | 1048.00 | Acute care bed | City of Toronto, 2009 |
| Canada | 689.00 | Psychiatric Inpatient | Conference Board of Canada, 2010 |
| Canada | 720.00-1115.00 | Acute care bed | Conference Board of Canada, 2010 |
| Toronto, Ontario; Vancouver, British Columbia; Montreal, Quebec; Halifax, Nova Scotia | 330.00 | Average of 184-547 across 4 cities | Pomeroy, 2005 |
| Ontario | 681.00 | Psychiatric Hospital | Jacobs, Dewa, Lesage, et al., 2008 |
| Ontario | 600.00 | Psychiatric bed in other hospital | Jacobs, Dewa, Lesage, et al., 2008 |
| British Columbia | 200.00-600.00 | Psychiatric Hospital | Eberle & Hulchanski, 2001 |

Range of \$200.00-\$1855.37 | Median \$665.00 | Mean \$739.24

| Supportive Housing | Cost Per Diem | Additional Information | Source |
|---|----------------------|---|--------------------------------------|
| Ottawa, Ontario | 83.00 | "LTC or other appropriate setting in the community" | Ottawa ALC Strategic Committee, 2006 |
| Toronto, Ontario | 31.00 | | City of Toronto, 2009 |
| Canada | 31.43, 82.19, 115.00 | High Support Housing | Conference Board of Canada, 2010 |
| Canada | 37.00, 74.00 | Medium Support Housing | Conference Board of Canada, 2010 |
| Canada | 44.00 | Low Support Housing | Conference Board of Canada, 2010 |
| Toronto, Ontario; Vancouver, British Columbia; Montreal, Quebec; Halifax, Nova Scotia | 60.00 | Transitional and High Support Housing | Pomeroy, 2005 |
| British Columbia | 85.55 | High support housing | Jacobs, Dewa, Lesage, et al., 2008 |
| British Columbia | 14.70 | Low support housing | Jacobs, Dewa, Lesage, et al., 2008 |
| British Columbia | 67.00-88.00 | | Eberle & Hulchanski, 2001 |
| British Columbia | 20.00-25.00 | Supportive Hotel | Eberle & Hulchanski, 2001 |
| Halifax, Nova Scotia | 39.50 | | Palermo, Dera, Clyne, et al., 2006 |

Range of \$14.70-\$115.00 | Median \$52.00 | Mean \$56.96

DISCUSSION

Preliminary findings from the meta-analysis led us to 13 estimates of the cost of a psychiatric hospital inpatient, showing a range in cost from \$200.00-\$1855.37 per person, per day, across Canada ($M = \$739.24$; Mdn of \$665.00). Costs varied significantly, with factors like level of support, and location, contributing greatly to the differences. Past research (not mental health specific) has suggested average hospital rates are actually overestimates when applied to ALC patients due to lowered use of hospital services (Hochstein, 1985) while other research has suggested averages of the cost of ALC patients are higher than hospital inpatient averages (Conference Board of Canada, 2010). This variation in the cost of ALC patients may relate to the distinction between the needs and costs of ALC patients who were hospitalized for physical conditions versus those hospitalized for mental illness.

Preliminary findings from the meta-analysis also led us to 14 estimates of the cost of supportive housing, showing a range from \$14.70-\$115.00 per person, per day, across Canada ($M = \$56.96$; Mdn of \$52.00). There was variation in the level of support provided, and housing type, which would contribute to the variation in these figures.

When comparing mean and median figures, the costs of providing housing with supports is almost 13 times less than the cost of a hospital bed. The economic need for investment in housing and supports across Canada is clear. As others have pointed out (e.g., Pomeroy, 2007), it is also important to note that this shift towards housing may reflect a true cost savings or it may reflect a cost avoidance in which resources are freed up and can then be used more appropriately.

REFERENCES

Please see back for full list of references.

ACKNOWLEDGEMENTS

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