Costs of Managing Insanity Acquittees Under a Psychiatric Security Review Board System

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The Oregon Psychiatric Security Review Board (PSRB) program was begun in 1978 as an innovation in the management and treatment of insanity acquittees. In 1983 the program was cited by the American Psychiatric Association as a potential model for other states (1).

In previous papers we have described the PSRB program (2,3) and empirically examined its functioning in several key areas (4-6). In this column we present budgets for the administration of PSRB and for treatment services provided by the state mental health division. We also estimate the fiscal impact of the PSRB model. Expenditures as a proportion of the state mental health budget and per capita expenditures are included to facilitate extrapolation to other states.

How the system works
Successful insanity acquittees who, in the opinion of the trial court, continue to suffer from mental illness and remain dangerous to others are committed to the jurisdiction of the Psychiatric Security Review Board for a judicially determined “insanity sentence” equal to the maximum sentence to which they could otherwise be liable (7).

The board consists of five members appointed by the governor. It is staffed by an executive director and two staff members. The board conducts periodic hearings and maintains records on all patients. It receives monthly reports from community service providers on each conditionally released patient and prepares these records for periodic review. It immediately issues revocation orders upon notification of a patient’s apparent dangerousness, noncompliance, or decompensation.

The board also carries on liaison activities with courts, the mental health department, and other agencies; prepares materials for appeals and other legal proceedings; testifies before the legislature; draws up administrative rules; and develops budgets.

PSRB expenditures
Insanity acquittees serve their sentence within the mental health system either in the forensic unit of the state hospital or in a monitored conditional-release program. The PSRB controls patient movement within the mental health system by making decisions about hospitalization, conditional release, revocation of conditional release, or discretionary discharge during the insanity sentence. These decisions have significant fiscal implications for the mental health division and the total state budget.

The mental health division operates the state hospital programs and contracts with county governments to deliver community services directly or by subcontract. In 1981 Oregon’s community mental health system was reorganized to focus on chronic mentally ill patients, especially those at risk of hospitalization. The PSRB community service element was designed according to community support program principles, with each patient having an assigned case manager responsible for the agreed-upon treatment program and for the monitoring and reporting functions required by PSRB.

Expenditures for PSRB services
Three major program expenditures are associated with the review system: executive department expenditures for the PSRB itself; mental health division expenditures for PSRB hospital services; and mental health division expenditures for community programs for patients assigned to PSRB services.

In 1987 per capita expenditures for the PSRB and its three staff members were about 6 cents per year. Per capita expenditures for hospitalization for insanity acquittees amounted to about $3.35 per year. The acquittees occupied 9.9 beds per 100,000 general population. Expenditures for hospitalization of PSRB patients was about 20.3 percent of the mental hospital budget in 1987.

Monthly payments for community care are established in the mental health division budget for PSRB community slots in both regular and intensive-care programs. Per capita expenditures for community services for insanity acquittees were about 18 cents per year; the acquittees occupied 3.7 community slots per 100,000 general population. Expenditures for community services for PSRB patients were just under 1.9 percent of the division’s community mental health program budget. In fiscal 1987 total per capita expenditures for PSRB and the services provided to acquittees were about $3.59. Expenditures for the PSRB program were equivalent to about 10.3 percent of the state mental health budget.

Fiscal impact of PSRB services
From the point of view of legislators, system planners, and budget authorities, the value of the PSRB program depends on the priority of the needs it addresses, public perceptions of its
efficacy, the extent to which it helps patients improve and maintain that improvement, its efficiency compared with alternative services, and its fiscal impact. Fiscal impact is the difference between budgeted expenditures resulting from adopting the program and those resulting from not adopting the program.

Expenditures for a community PSRB slot are about 14.3 percent of expenditures for a forensic hospital bed. Some PSRB patients cannot be released into the community under any foreseeable conditions. However, conditional community release is a reasonable prospect for a significant proportion of these patients, provided they are closely monitored and supervised.

Conditional release of PSRB patients before they would otherwise be discharged should have a major fiscal impact. We used an analysis commonly employed in state budgets to estimate that impact. We estimated expenditures associated with not having the conditional release option—that is, rehospitalizing all patients now in PSRB community slots. In 1987, there were 363 PSRB patients in either forensic hospital beds (N = 264) or PSRB community slots (N = 99). Hospital expenditures totaled almost $9 million, community expenditures came to $479,000, and PSRB expenditures were $165,000, for a total of $9.6 million.

The annual cost of a community slot was $4,841, and the annual rate for a hospital bed was $33,948. Community rates have increased 109 percent and hospital rates 19.6 percent since 1979. Old hospital buildings are nearly beyond physical capacity, and hospital rates would likely increase much faster if new construction were required.

Hospitalizing all 363 PSRB patients would use up all community and board allocations and boost the total hypothetical expenditure to $12.3 million, an increase of about 28.3 percent. In other words, an expenditure of about $644,000 for the board and its community programs avoids an expenditure of $2.7 million for hospital beds. Thus the fiscal impact of the PSRB program is highly favorable; its cost is one-fourth the cost of hospitalization.

Discussion
The favorable fiscal impact of conditional release in the PSRB model can be attributed to close monitoring and supervision. Actual dangerousness is intolerable, but prediction of the dangerousness of insanity acquittees is very imprecise (8). In the absence of close monitoring and supervision, discharging authorities would be forced to adopt a very conservative release policy and retain in the hospital many patients who might, in fact, be successfully placed in the community.

Intensive community monitoring and the authority to revoke release quickly makes it possible to release insanity acquittees from the hospital earlier. A patient who shows signs of becoming dangerous, noncompliant, or decompensated can be rehospitalized within hours under police escort. Close monitoring and quick revocation means that the Psychiatric Security Review Board can rely on this leverage for a margin of safety in making community placements, rather than relying on an excessively cautious release policy.

Furthermore, the monitoring, supervision, and treatment provided in PSRB community programs actually reduce dangerousness to a significant degree. Closely watched patients do not drift into circumstances that promote dangerousness and decompensation. Further, actively treated patients are constructively occupied.

The Psychiatric Security Review Board has now been in existence for 12 years and has been established as a potential model program for managing and treating insanity acquittees. The volume and total expenditure for hospital services for PSRB patients have nearly doubled in that decade, and the prospect of expensive new forensic beds is imminent. This growth is occurring at a time when other psychiatric hospital services are being severely restricted and additional community services are badly needed. However, PSRB services are directed to some of the most severely and chronically mentally ill patients in the Oregon system. Even without the involvement of the justice system, these patients would be within the state mental health division's priority target population.

The Psychiatric Security Review Board appears to be ameliorating the impact of insanity acquittees on total mental health services by making conditional release more feasible. Conditional release, which accounts for a very small proportion of the expenditures of treating and managing insanity acquittees, substantially reduces the potential costs of treating and managing patients under PSRB jurisdiction.

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References

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