Inpatient Psychiatric Hospitals
West Oaks Hospital

Results in Brief

Why OIG Conducted This Audit
The Texas Health and Human Services Office of Inspector General (OIG) initiated this audit in response to a risk assessment after lawsuits and reports alleging that private inpatient psychiatric hospitals were committing and holding patients (a) that did not meet admission or commitment criteria or (b) without the person’s consent. The OIG Audit and Inspections Division (OIG Audit) reviewed West Oaks’ medical records, policies and procedures around (a) admissions, commitments, and discharges, (b) specific patient consent forms, and (c) physician orders.

Summary of Review
The audit objective was to determine whether West Oaks completed admission, commitment, and specific consent requirements for STAR+PLUS members receiving inpatient psychiatric services in accordance with selected federal and state regulations, rules, and policies.

The audit examined STAR+PLUS claims processed by UnitedHealthcare of Texas, Inc. and United Behavioral Health, Inc. (United), and associated documentation with service dates from September 1, 2019, through February 28, 2021.

Conclusion
West Oaks Hospital (West Oaks) complied with selected federal and state regulations, rules, and policies related to physician licensing and appropriate days billed. However, it should strengthen controls to comply with requirements related to discharging patients, physician orders, psychiatric evaluations, treatment plans, patient consent forms, required facility signage, and patient access to outside communication.

Key Results
Based on the site visit on March 1, 2022, and additional testing, West Oaks complied with requirements related to physician qualifications and billing only days in the facility. However, West Oaks should improve its practices for performing and documenting evaluations and ensuring patients and their families or legally authorized representatives are informed and aware of their rights and options. Specifically:

- One voluntarily admitted patient who requested discharge was held past the discharge date ordered by the physician. The physician initially determined that the hospital would petition for court-ordered treatment, but subsequently decided the patient should be released. A patient has the right not to be detained once the decision not to file a petition for court-ordered treatment is made.

- All 60 sampled records included an initial psychiatric evaluation. However, (a) 26 were not conducted timely, (b) 4 were not performed by a physician, (c) auditors could not determine if 9 were timely, and (d) one was not signed by a physician. West Oaks could have patients in its care who were not evaluated by a physician or whose psychiatric evaluations were not completed timely.

- Most medication orders were prescribed and signed by a physician as required; however, some were either not signed at all or not signed timely. In the selected sample of 40 patient records, there were 336 psychoactive medication orders. Of those 336 orders, 32 (9.5 percent) were not signed or signed timely. Medication orders not signed by a physician may mean psychoactive medications were administered without verification from the treating physician.

- While West Oaks obtained most of the required medication consent forms for psychoactive medication, it did not obtain 29 of 176 medication consent forms tested (16.5 percent). Of the remaining
Background
West Oaks is a 160-bed facility providing care for adolescents and adults in the Houston, Texas, area. It provides inpatient hospital psychiatric services to beneficiaries of the Texas STAR+PLUS program under contract with United, a Texas managed care organization (MCO). STAR+PLUS is a Texas Medicaid managed care program for people who have disabilities or are age 65 or older. Individuals in STAR+PLUS receive Medicaid basic services and long-term services and supports through a health plan they choose.

Through its provider contract with United, West Oaks received Texas Medicaid reimbursements of $4.2 million for inpatient psychiatric hospitalization services delivered to 461 Medicaid beneficiaries during the audit scope, of which $18,172 related to electroconvulsive therapy.

Management Response
OIG Audit presented preliminary audit results, issues, and recommendations to West Oaks in a draft report dated August 8, 2022. West Oaks agreed with the audit recommendations and asserted corrective actions had already been implemented or were underway. West Oaks’ management responses are included in the report following each recommendation.

Recommendations
West Oaks should:

- Discharge patients according to discharge orders.
- Ensure psychiatric evaluations are completed by a physician within the required timeframe based on type of admission.
- Ensure voluntary admission consent forms are only completed by the patient and not their family.
- Ensure completed medication consent forms are obtained prior to medication administration.
- Retain court orders.
- Obtain complete and timely patients’ consent for treatment and acknowledgment of rights.
- Update its forms and postings to include all required information.

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