

## Health agency diagnosed as unfit

City's services for the mentally ill in the hands of district in crisis

Sunday, October 07, 2007

By Kate Moran

For the past year, New Orleans leaders have pleaded for Gov. Blanco's help addressing a critical shortage of services for patients with chronic mental illness. With few places to go for care, these patients have crowded jails and jammed emergency rooms that have limited capacity to help them.

The state, it turns out, has made \$74 million available in the past two years, but the money is under the control of an obscure public agency that has fumbled numerous chances to expand services since Hurricane Katrina and spends money with minimal oversight and accountability.

Many fault the Metropolitan Human Services District, a state-financed agency governed by a board of directors appointed mostly by Mayor Ray Nagin. Health providers who work with the district say it is opaque, unresponsive and awash in internal problems that have crippled its ability to connect patients with services at a time when mental health across the region remains fragile.

In one example of such missed opportunities, Metropolitan has used only \$430,000 of the \$4 million in block grant money it received from the state to resurrect mental health services after Katrina -- even as Nagin was begging the governor to intercede in what he called a mental health crisis.

The only entity with the power to rein in the problems, its board of directors, sat half empty for almost a year. Nagin controls seven of the nine board appointments, but he failed for months to appoint replacements for people who resigned their seats or were displaced by the storm and could not attend meetings. He finally filled all the board slots in late September.

With the board threadbare for so long, the executive director had almost unilateral control over contracting procedures. While most Metropolitan contracts have gone to nonprofits in the city, public records and interviews show a few were awarded to friends and business associates of executive director Jerome Gibbs. What's more, patients have gone without services while Metropolitan remains mired in internal chaos. Scott Griffies, a psychiatrist who works at University Hospital, says he sees a large volume of patients in the emergency room who use drugs and alcohol to escape the stress of living in a stricken city. Meanwhile, numbers provided by the state show that Metropolitan is treating only a third as many patients with substance abuse problems as it was before the flood.

Metropolitan is supposed to provide services in the same fashion as United Way, by channeling money to nonprofit agencies with a track record of providing quality care. The agency also runs seven clinics in Orleans, Plaquemines and St. Bernard parishes. Data from the state shows the number of patients served at those clinics has dropped 46 percent since the storm.

When the state created Metropolitan four years ago, it ceded oversight of its operations to the board of directors. The state pumped \$45 million into the agency last year and sent another \$29 million its way this fiscal year, but the Department of Health and Hospitals does not have a detailed breakdown of how the agency spends the money.

A report released last year by the legislative auditor indicates that the agency has mismanaged some of that money. The auditor found that cash collected at the agency's clinics was not properly documented and that the hours listed on employee pay stubs did not always match the hours on their time sheets.

The state's health and hospitals chief, Fred Cerise, said he is aware of the problems at Metropolitan and at one point investigated whether the state might take over the troubled agency. He nonetheless deflected blame for the situation, claiming that state law dictates Metropolitan's independence and that there is little his office can do other than send staff to advise the agency and help mop up its messes.

"We realize there are issues with delays in getting contracts executed and services on the ground," Cerise said. "We have concerns about the volume of services being provided and whether it is meeting the community need.

"We made a big deal of doing outreach with the district, but this really is a city of New Orleans issue," he added. "We tried to point that out to the mayor."

Kevin Stephens, the city health director, said the mayor did not replace board members right away because he did not want inexperienced board leadership as Metropolitan was struggling to recover from the storm and staff members were adjusting to turnover in the executive director's office.

Stephens also questioned the state's assertion that oversight of Metropolitan rests primarily with local authorities. If the state had a problem with Metropolitan, he said, it could have reined it in with the power of the purse.

"Who gives the funding to the human services district? The power is with the money," Stephens said. "If the state wants you to do something, they give you the money to do it. If they don't want you to do it, they take the money back."

Providers can't get answers

In June of last year, New Orleans Police Superintendent Warren Riley and several coroners wrote a letter to Cerise outlining the humanitarian crisis spawned by the dramatic loss of hospital beds for the mentally ill after Hurricane Katrina. As the supply of beds waned, they said, suicides went up, police recorded a record number of calls for psychiatric emergencies, and mental patients were dumped in jail at "unacceptable rates."

While the paucity of hospital beds has contributed to what Riley called a "psychiatric crisis," doctors and social workers say those beds should be a last resort; patients often remain stable if they have access to clinics or group homes. Metropolitan's job is to provide those services or funnel money to nonprofit groups that can.

Several nonprofits have approached Metropolitan with ideas for expanding services that would keep patients out of the hospital and abate the crisis that Riley and the coroners described. While Metropolitan seemed receptive to their proposals, the groups said, the agency never followed through with a contract.

"We have been looking at gap analysis and trying to figure out what services have been missing since the storm," said Sarah Hoffpauir, who works on mental health issues for the Louisiana Public Health Institute.

"Metropolitan has always participated in the planning process, but where they have frequently lost momentum is at the implementation stage. Quite frankly, the whole contracting system has been kind of problematic."

If it were not for the leaden bureaucracy at Metropolitan, Michael Tucker said, he believes he could have helped the patients with chronic mental illness who cycle through the jails and hospital emergency rooms and back onto the streets, where police inevitably find them in deranged condition.

Tucker is the founder of the former Southern Wellness Community Mental Health Center, and he developed a proposal to send a nurse to work with police when they are called to subdue a mental patient. The nurse would take the patient to a bed where he or she could rest for the night and be admitted directly into a treatment program the next day.

Tucker said he met with Gibbs in January and thought he had wrapped up approval for the program. Then he waited and waited for a contract, and by May he began to realize it might never come. Gibbs told him the state had put a hold on new contracts financed with block grant money, and the Southern Wellness clinic folded a few months later.

"They had the funding. We had the services. Bureaucratic nonsense caused a great service not to be delivered to the public," Tucker said. "This is something that could have been avoided."

Gibbs confirmed that he met with Tucker and told him he liked his ideas, but he said he is "almost positive" that he did not give a verbal commitment that Metropolitan would offer a contract. He also said he does not remember telling him that the state had frozen access to the block grant money.

Elmore Rigamer, the medical director at Catholic Charities, said the city did not have a strong system of support to keep mental patients out of the hospital before the storm, but the sheer vastness of Charity Hospital's 100-bed psychiatric ward helped mask the shallowness of neighborhood-based services.

"As long as you could store the patients at Charity, there was no pressure to make the system work better," he said.

Late last year, Rigamer and other physicians formed a coalition called the Behavioral Health Action Network to begin transforming the way care is delivered to the mentally ill, moving it out of the hospitals and into clinics and day programs. They approached Metropolitan in March with a way to help the patients who have backed up in hospital emergency rooms since the closure of Charity Hospital.

Rigamer's group would have sent a "mobile crisis team" consisting of a psychiatrist and a social worker to evaluate patients dropped at emergency rooms and determine whether they needed to be admitted or could be escorted instead to a clinic. The governor endorsed the idea in June, but Rigamer said Metropolitan never moved on it.

"It has been very difficult to move contracts through Metropolitan with a speed that matches the urgency of the mental health crisis," he said.

Mayor slow to respond

As Metropolitan founders, the number of patients it serves has plummeted.

Between July 2004 and June 2005, the agency helped treat 3,700 patients with substance abuse problems. Between July 2006 to June 2007, that number dropped to 1,300, according to the Department of Health and Hospitals.

The number of patients served at Metropolitan's mental health clinics dropped from 6,570 to 4,500 over the same period, according to the state.

Several service providers said they have made an effort to work with Metropolitan but were frustrated by the agency's lack of transparency. For months, Metropolitan's phone number was listed incorrectly on its Web site. Its address still is.

Hoffpauir, who also directs the Behavioral Health Action Network, said she wants to attend Metropolitan board meetings but has had difficulty getting an answer about where and when they take place. State law requires that Metropolitan give notice of its meetings 24 hours in advance by posting an agenda on the door of its office or publishing an announcement in a public journal, such as a newspaper, and informing any member of the news media who requests notice. The agency does not take out ads, but tacks a notice on its office door -- located on the 18th floor of a Poydras Street skyscraper, outside the normal range of foot traffic.

Ben Bagert, Metropolitan's board president and a former state senator, concedes that the board has not met at the same time and place in recent months because he has had difficulty assembling a quorum while so many positions remained vacant. A few board members who were displaced by the storm made an effort to attend meetings for a while, but only four of the nine have made regular appearances of late.

Board member Antoinette Aubry-Guillory resigned her seat in June 2006, and board members Lionel Guillaume and Ursula Markey followed suit early this year. A fourth, Kazzem Kashan, relocated to Baton Rouge after the storm but continued to attend meetings even though he no longer met the board's residency requirement. Nagin was responsible for all four of these appointments.

Chris Roussel, who represented St. Bernard Parish, also resigned early this year. Parish President Junior Rodriguez has not named his replacement.

Bagert said he began calling the Nagin administration about the holes on the board in the spring of 2006. Even if board members had not begun to resign by then, all of their terms had expired by November 2005. Nagin did not respond, but Bagert said he managed to buttonhole the mayor and remind him about the board at a health care forum in March of this year -- almost a year after his initial overtures. In May, Bagert sent a letter to Stephens, the city health director, again reminding him about the vacancies and expired terms.

Stephens said the administration began looking for new board members when it received the note from Bagert. State law requires that board members have certain qualifications -- one must be a client, for instance -- and Stephens said it took a long time to find people with the right mix of credentials.

"Just getting a warm body on that board -- we could have done that in 2005," Stephens said. "That is not what we need. What you need are qualified, competent people with expertise and experience, as detailed in the act."

Although the terms of all the board members expired three months after Katrina, Stephens said it would have been ill-advised to change course and appoint an entirely new board at a time when the city -- and Metropolitan -- were in so much turmoil. He said the board continued to meet and perform its functions. Agency records show, however, that the board did not hold a meeting for five months after Katrina. As the first board resignation arrived in the spring of 2006, Stephens said the health department was preoccupied with preparations for the summer hurricane season and with finding ways to improve access to primary health care and mental health care. He said the city worked with Metropolitan to bring psychiatrists to health department clinics in Central City and on the West Bank.

"There were one or two vacancies, but they were still working. It did not make sense to get a new slate of people who did not know the organization," Stephens said. "At that point, we said it was better to keep what you had in place."

Stephens is an advisory member of the Metropolitan board, but his name does not appear in the attendance record of any of the board meetings through March of this year. He said in an interview that he attended some meetings but did not always arrive on time or write his name on the sign-in sheets.

Nagin did not repopulate the board until late last month. Of the original members, only Bagert retained his seat, which he said he plans to give up soon. New members include Donald Erwin, a prominent physician who runs an Uptown clinic for the uninsured, and Jeffrey Rouse, a deputy city coroner who handles commitment orders for psychiatric patients.

'Bent over backward'

While the board remained largely uninhabited, at least two consultants with personal ties to Gibbs, the executive director, received contracts through Metropolitan. Billy Jones, a former commissioner of New York City's mental health department, was hired to fly to New Orleans every few weeks to offer advice on how to integrate services for patients who suffer from multiple disorders, such as mental illness and drug addiction.

Gibbs worked as deputy commissioner of the mental health department under Jones from 1990 to 1992, and the two also worked together at the New York City Health and Hospitals Corporation, a body that runs several hospitals, nursing homes and a network of primary-care clinics. Gibbs said in an interview that he has known Jones "for years."

Gibbs awarded the contract without seeking competitive bids, as state law allows him to do for professional service contracts worth less than \$50,000. The Jones contract is worth \$49,050.

"New York state is the model for behavioral health services that every state aspires to duplicate," Gibbs said of Jones' qualifications.

A psychologist named Arnold James worked for Metropolitan until March, and he used to sign contracts on behalf of the district. Now he has four contracts of his own totaling \$290,000, including one to run a summer camp for young people at risk of becoming drug users. Gibbs confirmed in an interview that he rented a house on Leonidas Street from James for about two months when he first moved to town last year, when housing was more scarce.

Despite questions about the contracts, some social service providers say operations have improved at Metropolitan since the board of directors brought him in late last year from Philadelphia, where he ran his own consulting firm.

Ed Carlson, executive director of the Odyssey House, a nonprofit that works with drug addicts, said Metropolitan never used to pay its bills on time. At one point, the agency fell \$300,000 behind on payments it owed his nonprofit.

Carlson said the checks arrive on time under Gibbs' watch. He also said the agency "bent over backward" to increase the size of the Odyssey House contract when he informed Gibbs about the tremendous need for women's and children's services.

Carlson said he is not blind to the problems at Metropolitan but believes some of them stem from the way the state set up the agency four years ago. He said the state relinquished too much oversight and has not done a good job coordinating Metropolitan's activities with those of its sister agency in Jefferson Parish, which could have provided critical support after Katrina.

"There needs to be some cleanup legislation on this," Carlson said.

The Legislature created Metropolitan as part of an ongoing series of reforms in the way the state cares for people with mental illness, drug addiction or developmental disabilities such as cerebral palsy. The Department of Health and Hospitals had always provided services for these patients, but lawmakers decided in 1989 to begin farming the job out to regional human services districts.

The districts they created were hybrid creatures financed by the state but governed by a board of directors appointed by the mayor or parish president. Bagert compared them to school districts or levee districts; their hallmark is their independence.

The state launched the first district in Jefferson Parish in 1989, followed by a second in the Baton Rouge area eight years later. Metropolitan, which serves patients in Orleans, St. Bernard and Plaquemines parishes, was formed in 2003.

Jan Kasofsky, executive director of the Capital Area Human Services District in Baton Rouge, said the state believed the local districts would be more attuned to community needs than a centralized bureaucracy.

If the local board identified substance abuse among pregnant women as a problem particular to the Baton Rouge area, she said, the district could launch programs to address it. If board members thought clinic hours were inconvenient for patients, the district could move quickly to adjust them.

Kasofsky said the independent districts boast another advantage: They can attract grants from charitable groups that want to address mental health needs but do not want their donation to get lost in the state budget. Her own agency secured a grant from the Baton Rouge Area Foundation to conduct rapid mental health screenings for Katrina evacuees.

Accounting questioned

While the districts were designed to be more nimble than a lumbering state bureaucracy, Metropolitan was caught flat-footed after Hurricane Katrina. Its former executive director, Debra Morton, fled the area without giving notice to the board, according to minutes from a meeting last year. The storm flushed eight of the nine board members out of their homes, and they did not hold a meeting for nearly five months. When they finally convened in February 2006, it was by phone.

Minutes from board meetings also reflect an agency in tatters. Although Morton managed to open a few clinics after Katrina, doctors approached the board in May 2006 and said they had to buy banners with their own money to advertise that the clinics were open.

At the same meeting, a board member reported that Morton had failed to secure medications and patient records inside flooded clinics in the 9th Ward and St. Bernard. The board member found evidence -- empty beer bottles -- that intruders had entered the unprotected clinics.

Around the same time, the legislative auditor released a report detailing rampant irregularities in Metropolitan's business practices. The auditor found that cash from the clinics was not properly recorded or

deposited in the bank; that the district could not locate \$15,000 worth of computer equipment; and that the hours listed on employee pay stubs did not always match the hours on their time sheets. Amid growing concerns about the health of the agency, the board fired Morton in June 2006 and hired Gibbs two months later. Morton filed a civil suit against the agency and the board president over her termination. Morton's attorney, Tracie Washington, alleges that the board fired her client in retaliation for questioning a contract that Bagert, the board president, had signed without seeking her approval. Washington also questioned the validity of the board minutes that reflect complaints about Morton's performance after Katrina.

In an August interview, Gibbs said he inherited an agency brimming with problems, but he has begun to steer it aright with a series of reforms. He said he requested a fresh audit from the legislative auditor and introduced technology to capture more revenue in the clinics, collect data on patients and monitor agency contracts. He also started keeping clinics open during the evenings and weekends to make them more convenient for patients.

"He is putting together a real agency," Bagert said.

When Gibbs arrived last year, only three of Metropolitan's clinics had reopened. He has rebuilt or launched four additional clinics, some of them in modular units, and he recently persuaded the state to turn over the Metropolitan Development Center -- a nearly empty residential facility in Belle Chasse for people with disabilities -- so the district could open a residential detox unit and an intensive outpatient program. The lease is good for only six months.

Gibbs also said he has tried to transform a sluggish agency by pruning away unproductive and unqualified employees. But interviews show it took him seven months and pressure from the state to remove a human resources director who had made a dog's breakfast of the personnel files.

The Department of Health and Hospitals managed Metropolitan's personnel records until November 2006 to give the district a chance to regain its footing after Katrina. Almost as soon as the state turned those records over to Metropolitan, employees began complaining that the district was bungling raises and retirement benefits.

The complaints persisted until Gibbs dismissed the human resources director in May. When state employees visited the district a few days later to help with a job fair, they found the personnel files in such disarray that they had to bring them back to Baton Rouge and summon a former human resources manager out of retirement to handle the "monumental" task of getting them in order, according to Bob Johannessen, a health and hospitals spokesman.

"When you look at what was happening with the agency, it's easy to say it's one person -- the leadership -- and that person is the sole person responsible," Gibbs said. "When you step back for a second and realize other people have roles and responsibilities, people have to step up to the plate and demonstrate they are going to do what needs to be done. When that's not occurring, it's important to try to find a group of people who are willing to do the job."

While Gibbs has made some advances, some board members and employees said he is part of the problem. The employees said his abrupt and imperious management style has chilled morale and prompted clinic directors and executive staff to leave.

Two board members, Kashan and Jean Fischer, said Gibbs has created a tense work environment by forbidding his employees from talking to the board. At a staff meeting in June that they both attended, they said he dressed down an employee when she asked for a schedule of board meetings, which are open to the public, and questioned her motives for wanting to attend.

Kashan later wrote a letter to the board president describing the scene at the meeting: Gibbs "walked to every clinic manager, held his finger uncomfortably close to their faces, called them by their first names and frantically said, 'I know you have your secret agenda. I know you want to conspire against me.' He did that for about 20 minutes."

Fischer said she tried to gently contradict Gibbs and inform the employees that they were welcome to visit the board meetings. When Gibbs became angry, she said, she walked out before she lost her temper.

Kashan stayed and ended up in a shouting match with Gibbs in front of the entire staff.

"Staff should be able to work in a nurturing environment. Now it is a very intimidating environment," Kashan said in an interview. "Gibbs is a very paranoid individual."

Gibbs disputed the account. He said he asked staff to respect the chain of command and bring concerns directly to him instead of to the board. He said he "was never frantic" and that he could not have thrust his fingers in clinic managers' faces without clambering into the second or third rows of seats to reach them. Gibbs said in an e-mail that it was Kashan "who jumped up in the meeting and came and stood directly in my face -- pointing his finger in my face -- hollering and screaming. I said to him without raising my voice that he needed to calm down."

Gibbs called the allegations of intimidation unfounded, adding: "I would wager that 80 percent of the staff would concur with my interpretation."

Kashan and Fischer left the board in late September, when the mayor named their replacements.

State considers changes

As Metropolitan is poised for new board leadership, several policy experts said the state should not scrap the human services district model simply because one agency has struggled since Katrina. Even as New Orleans struggles, the Jefferson and Baton Rouge districts have received plaudits from the state.

Critics, however, say the human services district model does not have enough accountability built in, even if some districts have managed to function responsibly with a long leash from the state.

"One of the problems with the human services districts is they are not uniform," said David Hood, a former health and hospitals secretary who now works at the Public Affairs Research Council in Baton Rouge. "We are looking for innovation at the local level, but we are seeing vast differences in the way the districts approach things."

Cerise said his department submitted a paper, or "framework," to the Legislature this year that lays out the state's expectations for how the human services districts should operate and what data they need to turn over to the state to demonstrate they are delivering results. The state is preparing a related policy paper detailing how the framework will be superimposed over districts that have operated independently for some time, a task Cerise admits could be challenging.

"I am not going to say that because we have had one district that is struggling that it's a bad model," Cerise said.

.....

Kate Moran can be reached at [kmoran@timespicayune.com](mailto:kmoran@timespicayune.com) or (504) 826-3491.