How a Leading Chain of Psychiatric Hospitals Traps Patients - The New York Times

The New Hork Times

https://www.nytimes.com/2024/09/01/business/acadia-psychiatricpatients-trapped.html Acadia Healthcare is holding people against their will to maximize insurance payouts, a

Times investigation found.

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By Jessica Silver-Greenberg and Katie Thomas Sept. 1, 2024

Acadia Healthcare is one of America's largest chains of psychiatric hospitals. Since the pandemic exacerbated a national mental health crisis, the company's revenue has soared. Its stock price has more than doubled.

But a New York Times investigation found that some of that success was built on a disturbing practice: Acadia has lured patients into its facilities and held them against their will, even when detaining them was not medically necessary.

In at least 12 of the 19 states where Acadia operates psychiatric hospitals, dozens of patients, employees and police officers have alerted the authorities that the company was detaining people in ways that violated the law, according to records reviewed by The Times. In some cases, judges have intervened to force Acadia to release patients.

Some patients arrived at emergency rooms seeking routine mental health care, only to find themselves sent to Acadia facilities and locked in.

A social worker spent six days inside an Acadia hospital in Florida after she tried to get her bipolar medications adjusted. A woman who works at a children's hospital was held for seven days after she showed up at an Acadia facility in Indiana looking for therapy. And after police officers raided an Acadia hospital in Georgia, 16 patients told investigators that they had been kept there "with no excuses or valid reason," according to a police report.

Acadia held all of them under laws meant for people who pose an imminent threat to themselves or others. But none of the patients appeared to have met that legal standard, according to records and interviews.

Most doctors agree that people in the throes of a psychological crisis must sometimes be detained against their will to stabilize them and prevent harm. These can be tough calls, balancing patients' safety with their civil rights.

But at Acadia, patients were often held for financial reasons rather than medical ones, according to more than 50 current and former executives and staff members.

Acadia, which charges \$2,200 a day for some patients, at times deploys an array of strategies to persuade insurers to cover longer stays, employees said. Acadia has exaggerated patients' symptoms. It has tweaked medication dosages, then claimed patients needed to stay longer because of the adjustment. And it has argued that patients are not well enough to leave because they did not finish a meal.

Unless the patients or their families hire lawyers, Acadia often holds them until their insurance runs out.

"We were keeping people who didn't need to be there," said Lexie Reid, a psychiatric nurse who worked at an Acadia facility in Florida from 2021 to 2022.

Every day spent in a psychiatric hospital can be a trial. At Acadia facilities around the country, health inspectors have found that some patients did not receive therapy, were unsupervised or were denied access to vital medications. Many inspection reports described rapes, assaults and filthy conditions.

Tim Blair, an Acadia spokesman, would not comment on individual patients, citing privacy laws. He said the patient examples cited by The Times were not representative of many patients with positive experiences.

"Still, to be clear: Any incident that falls short of our rigorous standards is unacceptable, and actions are taken to address it," Mr. Blair said. He added, "Quality care and medical necessity drives every patient-related decision at Acadia." Acadia is at the forefront of a shift in how Americans receive mental health care.

Psychiatric hospitals were once run by the government or nonprofit groups. But both have been retreating from psychiatric care. Today, for-profit companies are playing a bigger role, lured by the Affordable Care Act's requirement that insurers cover mental health.

Acadia operates more than 50 psychiatric hospitals nationwide, and the bulk of its revenue comes from government insurance programs. More than 20 nonprofit health systems, including Henry Ford in Michigan and Geisinger in Pennsylvania, have teamed up with Acadia to open facilities.

The success has attracted notice on Wall Street. With its stock price rising, Acadia is valued at about \$7 billion. Its chief executive, Christopher H. Hunter, was paid more than \$7 million last year.

Since Mr. Hunter was appointed in 2022, Mr. Blair said, the company has improved the quality of its care and the training of its employees, "all to support enhanced patient safety."

Federal and state authorities have periodically cracked down on Acadia, as well as its main rival, Universal Health Services. In 2020, UHS agreed to pay \$122 million to settle a Justice Department investigation into whether the company billed for unnecessary inpatient stays. (UHS denied wrongdoing.)

This year, Acadia said it had tentatively agreed to settle a similar Justice Department investigation into, among other things, whether patient stays were medically necessary.

Clouded Judgment

Acadia's North Tampa Behavioral Hospital in Florida, where some patients were held against their will. Michael Adno for The New York Times Valerie McGuinness said Acadia pressured her to send patients from emergency rooms to its facilities. Michael Adno for The New York Times

Acadia was founded in 2005 by Reeve B. Waud, a financier, and grew slowly at first. But in 2011, the company went public and embarked on a major expansion.

The timing was ideal. Over the next several years, Acadia got a lift from Obamacare, which required insurers to cover mental health. Today Acadia has 54 inpatient psychiatric hospitals with a total of 5,900 beds.

It fills those beds in a variety of ways. Acadia markets directly to potential customers, encouraging them to "Skip the ER." The company cultivates relationships with people like police officers and emergency responders in the hope that they will bring patients to Acadia.

"Professionals in these industries often do not have deep expertise in behavioral health care, so developing these partnerships allows them to better serve the individual in need," Mr. Blair, the company spokesman, said.

Acadia also pitches itself to staff in hospital emergency rooms that have been inundated with patients seeking mental health care. Business-development teams make sales calls to the doctors and other hospital workers, passing out brochures and talking up the expertise of Acadia's staff and its willingness to take difficult patients. Sometimes, they come bearing doughnuts.

In a few states, Acadia has dispatched teams to overwhelmed E.R.s to help them determine whether patients need to be hospitalized. These employees, known as assessors, are supposed to be objective. But several said Acadia scolded them when they suggested that patients be sent to other psychiatric hospitals.

Valerie McGuinness, who worked as an assessor for Acadia until 2019, said there was "consistent pressure to send patients to Acadia facilities."

"We'd get emails and calls and texts berating us," she said, adding, "It made me feel really gross, because Acadia hospitals were not always the best ones for patients."

A colleague, Gwyneth Shanks, agreed, saying it "felt deeply unethical."

LeDesha Haynes, a former human resources director at Lakeview Behavioral Health Hospital, an Acadia facility in Georgia, said that when the hospital had empty beds, "the assessors were always being pressured and told to beat the bushes." She added, "Their judgment was clouded."

Mr. Blair, the Acadia spokesman, said the use of assessors in emergency rooms was a standard industry practice. He said E.R. doctors, not assessors, were the ones who decided whether and where patients would be hospitalized.

The Times also identified eight instances of Acadia's holding people who had voluntarily checked themselves in but then changed their minds.

One of those patients was the hospital worker in Indiana, who asked for anonymity because she didn't want her health issues made public. She sought treatment at an Acadia hospital in Indianapolis, but was then held against her will when she asked to leave, according to a complaint filed with the state's attorney general. She was released after her father went to court.

Another was a retired city employee, who asked The Times to identify her by her initials, T.B. In March 2021, she was feeling depressed and went to her doctor's office to get a therapist recommendation. A nurse there provided her several options, including visiting Park Royal in Fort Myers, Fla., an Acadia hospital near her home. She said an employee at Park Royal had told her that in order to get therapy, she would have to sign herself in. She arranged for her husband to pick her up that evening from the hospital.

But when T.B. tried to leave, Park Royal refused; it let her out six days later, after her husband went to court and a judge ordered her to be released.



LeDesha Haynes, a former human resources director for Acadia, said the judgment of employees who assessed potential patients "was clouded" by pressure from above. Michael Adno for The New York Times

Using Buzzwords

Once Acadia gets patients in the door, it often tries to hold them until their insurance runs out.

Acadia goes to great lengths to convince insurers that the patients should stay as long as possible, often around five days.

To do that, Acadia needs to show that patients are unstable and require ongoing intensive care. Former Acadia executives and staff in 10 states said employees were coached to use certain buzzwords, like "combative," in patients' charts to make that case.

In 2022, for example, state inspectors criticized an Acadia hospital in Reading, Pa., for having instructed workers to avoid adjectives like "calm" and "compliant" in a patient's chart. That same year, employees at Acadia hospitals in Ohio and Michigan complained to their state regulators that doctors had written false statements in patients' medical charts to justify continuing their stays.

At an Acadia hospital in Missouri, three former nurses said, executives pressured them to label patients whose insurance was about to run out as uncooperative. Acadia employees then would argue to insurance companies that the patients weren't ready to leave. Sometimes, the nurses said, they wrote patients up for not finishing a meal or skipping group therapy.

Once Acadia won more insurance days for patients, it often would not release them before their insurance ran out, according to dozens of former Acadia executives, psychiatrists and other staff members.

"If there were insurance days left, that patient was going to be held," said Jessie Roeder, who was a top executive at two Acadia hospitals in Florida in 2018 and 2019.

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'A Quick Feeling of Fear'

Under state laws, patients generally must pose an imminent threat to themselves or others in order to be held against their will in a psychiatric facility. Even then, hospitals can hold people for just a handful of days, unless the patients agree to stay longer or a judge or a medical professional determines that they are not ready to leave.

In Florida, the limit for holding patients against their will is 72 hours. To extend that time, hospitals have to get court approval.

Acadia's North Tampa Behavioral Health Hospital found a way to exploit that, current and former employees said.

From 2019 to 2023, North Tampa filed more than 4,500 petitions to extend patients' involuntary stays, according to a Times analysis of court records.

Simply filing a petition allowed the hospital to legally hold the patients — and bill their insurance — until the court date, which can be several days after the petition is filed. Mr. Blair, the Acadia spokesman, said this was often necessary to provide enough care to stabilize patients.

Judges granted only 54 of North Tampa's petitions, or about 1 percent of the total.

Kathryn MacKenzie, a school social worker, had recently moved to Tampa and didn't yet have a local psychiatrist. In August 2020, she visited an emergency room to have her prescriptions for bipolar disorder evaluated. An E.R. doctor sent her to North Tampa Behavioral.

Kathryn MacKenzie was held against her will at Acadia's North Tampa Behavioral. Michael Adno for The New York Times A journal that Ms. MacKenzie kept during her stay at the North Tampa hospital. Michael Adno for The New York Times

Once there, Ms. MacKenzie was admitted and held against her will, even though her medical records stated that she was not feeling suicidal or wanting to harm others.

From the moment she entered the facility, Ms. MacKenzie begged to be released, according to court records and her mother, Jane Robertson.

"God please connect me back to my mom asap," Ms. MacKenzie wrote in a journal that she kept during her hospitalization and that The Times reviewed. "Every time the locked door open and slam I feel a quick feeling of fear."

Instead of releasing her, the hospital went to court, seeking to extend her stay.

While she waited for a hearing, Acadia charged her insurance about \$2,200 a day, billing records show. Shortly before the hearing, Acadia agreed to release her. Acadia charged her insurance \$13,200 for the six-day stay.

Ms. Robertson said her daughter has become terrified of seeking help because she fears she could find herself trapped back inside. (Ms. MacKenzie later sued Acadia and reached a confidential settlement.)

The involuntary stays have had lasting effects on other patients, too. One woman in Michigan said in an interview that she had lost her job while detained. A man in Utah said he had become afraid to seek help since being held at an Acadia facility for a week in 2021.



Acadia's Lakeview Behavioral Health Hospital in Norcross, Ga. Michael Adno for The New York Times

In December 2019, more than 50 police officers descended on an Acadia psychiatric hospital in an office park 30 minutes north of Atlanta.

The police had opened an investigation into the hospital, Lakeview Behavioral Health, after numerous incidents, according to police records.

The previous January, a boy staying at Lakeview was taken to a nearby emergency room. He had so many bruises that staff suspected child endangerment. A few months later, police officers witnessed three Lakeview employees assaulting a patient. Over the next six months, they interviewed dozens of patients who said they had been held against their will or had seen patients, including children, being assaulted or neglected.

Health inspectors nationwide have faulted Acadia for similar problems, including failing to provide adequate medical care and neglecting patients. Acadia closed its Highland Ridge Hospital in Utah this year after state regulators investigated reports of dozens of rapes and assaults. In 2022, Tennessee inspectors faulted Acadia for falsely claiming in medical charts that a patient in Memphis had been checked on every 15 minutes. He was found in rigor mortis hours after he died.

The Lakeview raid did not lead to any charges.

About a year after the raid, Kim Lupton, a wealthy widow who lived on the shore of Lake Oconee in Georgia, arrived at the emergency room of the Piedmont Athens Regional Medical Center. Hours earlier, she said, she had become convinced that someone was trying to poison her. She swam across a narrow inlet to the yard of a neighbor, who called an ambulance.

Doctors at Piedmont determined that Ms. Lupton was delusional, but not suicidal or a threat to others, according to her medical records.

But over the next few hours, still at Piedmont, she was seen by assessors employed by Acadia. They recommended that Ms. Lupton be sent to a psychiatric hospital, her records show.

Ms. Lupton said she wanted to go home. Instead, shortly after 11 p.m., she was taken to a van and driven more than an hour to Acadia's Lakeview facility. Once there, Ms. Lupton was lucid and repeatedly asked to leave, according to her medical records.

One of Ms. Lupton's friends called a private investigator, Doug McDonald, who eventually showed up at Lakeview with a letter from a lawyer. The letter said Ms. Lupton had not been evaluated by a psychiatrist at Lakeview, in violation of Georgia law. Lakeview summoned a psychiatrist, who agreed to release her, according to a lawsuit Ms. Lupton filed against Acadia. She had been there four days.

Mr. McDonald said that while he was waiting to pick up Ms. Lupton in the parking lot, another woman approached him. Her teenage daughter was stuck inside, too.

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