

**Veterans with Psychosis in the VHA FY89-FY98:  
Access to Care, Loss to Follow-up, and Mortality  
White Paper: Report to the Department of Veterans Affairs  
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Beginning in 1996, a number of organizational changes altered the way that the Veterans Health Administration (VHA) delivers care to veterans with severe mental illnesses: the VHA has moved away from an inpatient-based model of care for these patients toward an outpatient-based model; facilities and programs have been consolidated; significant numbers of long-term mental health inpatient beds have closed. The VHA is committed to maintaining its capacity to provide for the specialized treatment and rehabilitative needs of disabled veterans, and the research reported on in this white paper helps to fulfill the critical role of monitoring the VHA's capacity to meet these needs.

The process of shifting patients from inpatient services toward greater reliance on outpatient services—a process often called ‘deinstitutionalization’—has met with mixed success when it has been attempted in other healthcare systems, and homelessness and incarceration have resulted when healthcare systems did not successfully adjust to a community-based model of care. Because most veterans with psychosis have mental illnesses that can be disabling, it is important to examine how these organizational changes have affected patients. SMITREC’s white paper reports on research that compared a patient cohort served prior to the system restructuring with a cohort that received services after the changes to see how the groups compare in terms of continuing VHA service use and patient mortality.

To determine if there have been changes in the level of care of veterans with psychosis since the shift to an outpatient focus, SMITREC evaluated two groups: 1) a primary cohort receiving care after 1996, and 2) a comparison cohort receiving care before 1996. The groups were comprised of patients diagnosed with a schizophrenia disorder, bipolar affective disorder, or other nonorganic psychosis during an inpatient stay. The primary cohort totaled 77,373 veterans, and included all patients with a qualifying diagnosis who had an inpatient stay in either FY94 or FY95. The two-year follow-up period for the primary cohort was FY97-98.

The comparison cohort was comprised of patients with an inpatient stay in FY89 or FY90, totaling 86,656 veterans, with a follow-up period of FY92-93. Overall, the two cohorts were comparable on several key characteristics, including age, sex, race, diagnosis, proportion of long-stay patients, and average number of admissions per patient.

**There were five key findings in this national evaluation** of the care of two cohorts of veterans with SMI:

- 1) The FY89/90 cohort and the FY94/95 cohort had similar outcomes.
- 2) On most variables studied, patterns of health care utilization remained consistent over time between the two cohorts despite significant changes in health care delivery organizational structure in VHA.
- 3) About 70% of the veterans were seen for follow-up after discharge, 10% were lost to care, and 20% died by the end of the follow-up period.
- 4) Mortality was higher for veterans who had 150+ days of hospitalization in either year of the index period (FY89/90: 30%; FY94/95: 34%).
- 5) The proportion of veterans lost to care was highest for the youngest veterans in each cohort while the most deaths occurred in the older cohorts. This may challenge one of the assumptions that often arises in considering the impact of deinstitutionalization, that veterans who were lost to care were those with unreported deaths.