A Nevada state psychiatric hospital under fire for busing hundreds of mentally ill patients to cities across the nation over the past five years will not appeal a decision stripping it of its accreditation.

A committee of the Joint Commission, an independent agency that accredits hospitals nationwide, last week issued a preliminary denial of accreditation for Rawson-Neal Psychiatric Hospital in Las Vegas, citing multiple violations of quality care standards, many related to patient safety.

The hospital had the option to appeal, and keep its accreditation during the process, but officials announced late Thursday they would waive that right and that the hospital and affiliated programs would lose accreditation as of today.

“Rather than pursue an appeal, Southern Nevada Adult Mental Health Services plans to request a new accreditation review in the near future when the hard work and great effort to improve services for our patients will be considered and recognized by the Joint Commission,” Mike Willden, director of the Nevada Department of Health and Human Services, said in a statement.

The hospital will remain open, Willden said. Most of its funding comes from the state, and the loss of accreditation does not automatically affect the flow of federal Medicare dollars. The hospital for now remains certified with the Centers for Medicare and Medicaid Services.

But the loss of accreditation – a rare step taken against fewer than 1 percent of hospitals each year – will be a stain on the hospital’s reputation, particularly as it tries to retain and recruit staff to fix myriad problems identified by internal and external audits.

“It’s a very big deal,” said Troy Lair, CEO and president of The Compliance Doctor, a Los Angeles-based firm that consults with health organizations across the country on accreditation.

Private insurance companies generally will not pay for patient care in a hospital that is not accredited, Lair said. “They will not be able to see any type of private insurance patient,” he said.

In a best case scenario, Lair said, it generally takes a hospital up to a year to regain accreditation. Many hospitals that lose accreditation end up closing.

Joint Commission surveyors visited Rawson-Neal twice in May, following a series of Bee reports examining patient discharge practices at the facility, which serves as Nevada’s primary hospital for the mentally ill.

The Bee launched its investigation after Rawson-Neal bused a mentally ill homeless man to Sacramento in mid-February without making arrangements for his treatment or housing.

James Flavy Coy Brown, 48, who suffers from schizophrenia, had been living homeless in Las Vegas for years when he ended up at Rawson-Neal earlier this year with symptoms of psychosis. Seventy-two hours later, he was discharged via Greyhound to Sacramento.

Brown told The Bee he had never been to Sacramento and had no friends or family in the city, but that a Rawson-Neal doctor had suggested he would like “sunny California.” He arrived 15 hours later, confused and suicidal, and spent three days in the UC Davis Medical Center emergency room before staffers there were able to find him shelter.

A subsequent review of Greyhound bus receipts purchased by the state for Rawson-Neal patients found the hospital has bused roughly 1,500 patients to states across the nation over the past five years, a third of them to California.

By policy, those patients were put on buses alone, with one-way tickets, a small supply of medication and Ensure nutritional supplement.

In the months since The Bee published its findings, Nevada health officials have largely defended the hospital’s busing practices as safe and humane, arguing that the vast majority of patients transported out of state were mentally stable and wanted to leave. They insisted that in all but a handful of cases, staff members confirmed before discharge that patients had relatives and treatment arrangements waiting for them at the other end of their bus trips.

But Bee interviews with current and former Rawson-Neal staffers, as well as eight former patients, found multiple cases in which that protocol was not followed.

In April, Rawson-Neal revised its policy and no longer discharges people to buses without an
escort.

The Joint Commission did not detail the specific conditions or treatment that prompted the denial of accreditation. Its statement simply lists numerous agency standards the hospital did not meet.

During their first May visit, they found 23 standards had not been met. Among them: ensuring staff are competent to perform their responsibilities; educating patients during discharge about follow-up care; and giving adequate information to other service providers who will care for patients following discharge.

During a subsequent visit, Joint Commission inspectors cited Rawson-Neal for failing to meet 35 standards, many related to patient safety.

Willden said Thursday he was disappointed in the Joint Commission’s decision, arguing it “is not an accurate reflection of the hospital’s current practices and policies.”

The appeal process, he said in his statement, “does not allow the consideration of new information such as changes and improvements to discharge processes, treatment programs, and oversight accountability. The appeal process also does not take into account the follow-up surveys conducted by the Joint Commission itself which concluded the facility is in compliance with Centers for Medicare and Medicaid Services (CMS) Conditions of Participation.”

A spokeswoman for Nevada Gov. Brian Sandoval said Thursday the governor “continues to evaluate the progress of Rawson-Neal.”

Spokeswoman Mary-Sarah Kinner said Sandoval has requested special legislative action to get budgeted funding to the hospital more quickly “and to address any outstanding concerns with the facility.”

The hospital remains the subject of several outside probes. The city attorneys in Los Angeles and San Francisco are investigating whether Rawson-Neal has been systematically dumping patients across state lines for years. Last month, Sacramento civil rights lawyer Mark Merin filed a lawsuit seeking class-action status against Nevada and Rawson-Neal, contending the busing policy violated patients’ constitutional rights.

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