

EVALUATION UPDATE

Making “Cents” of the Services and Costs Study

September 2007

Are you managing your funds in the most efficient way? How is the treatment that your program offers better than the alternatives? These are important questions for program decision-makers and external stakeholders interested in determining the value of systems of care. Cost analysis is an important part of program planning and evaluation and can help answer these questions. The results of cost analyses can identify how program and service costs are distributed, potentially resulting in better clinical outcomes through the reallocation of system of care funds.

The Services and Costs Study, a core study of the national evaluation, is designed to (1) describe the types of services used by children and families and the costs associated with these services, and (2) explore the relationship between service use, costs and outcomes. This study uses data from existing management information systems typically used locally within system of care communities for billing purposes.



There are several types of cost analyses that can be implemented in system of care communities:

- *Cost-minimization analysis* determines the least costly among alternative interventions that are assumed to produce the same outcomes.
- *Cost-effectiveness analysis* compares costs with outcomes in non-monetary units (e.g., reduced symptoms).
- *Cost-benefit analysis* compares costs and benefits, both of which are measured in monetary units.

Costs analyses have important implications for internal program management activities. Cost analyses can also contribute to program sustainability by helping to secure funds from agency constituencies.

For more information please contact the Services and Costs Study Team:

Anna Krivelyova: Anna.Krivelyova@macrointernational.com,

Ebony Montgomery: Ebony.R.Montgomery@macrointernational.com, or Susan Drilea: Sdrilea@wrma.com

Tracking Your Flexible Fund Expenditures

What are “flexible” funds? All grant communities have a pool of discretionary funds for purchasing items or services for children/youth and families that cannot be covered using other community funds. These *flexible funds* are primarily supplied by your system of care grant, but may also be funded by other sources. Data on flexible fund expenditures are typically tracked in system of care communities’ management information systems (MISs).

The National Evaluation Team has developed 22 categories to describe and group flexible fund expenditures. This categorization allows the national evaluation to track and better understand how flexible funds are spent in system of care communities. Accordingly, all communities are

encouraged to track their flexible fund expenditures using these 22 categories to group expenditures. This will allow flexible fund data to be pooled across system of care communities for future analysis.

The National Evaluation Team has developed a prototype for tracking these expenditures, called the *Flex Funds Tool*, which can be adapted by communities to help them track flexible fund expenditures. The *Flex Funds Tool* is a Microsoft® Excel spreadsheet and is password-protected.

The tool includes validation checks to ensure data are entered correctly, and is programmed to display data in graphs and tables. These graphs display data both by expenditure category and by month. Op-

tions are available to subset data graphed by child, expenditure category, and/or expenditure date. The *Flex Funds Tool* can be customized to support additional data collection needs.

The *Flex Funds Tool* was demonstrated during a national evaluation Webinar on July 17, 2007. This Webinar was recorded and can be viewed at <https://www.gotomeeting.com/register/264037856>.

For questions or technical assistance with tracking flexible fund expenditures please contact the Services and Costs Study Team members as listed above.

Site Reflections on the Services and Costs Study

Upcoming Evaluation Activities	Glenn County, CA	Beaver County, PA
⇒ Preliminary Continuous Quality Improvement (CQI) Progress Reports available for 2005-funded sites on September 28, 2007	<p>The Glenn County Children's System of Care has successfully used cost and services data to demonstrate that integrated system of care services for children are cost-effective by (1) reducing out-of-home placement and (2) keeping children stable in their living situation.</p> <p>Monthly out-of home placement costs range from \$10,000-\$20,000 compared to \$1,000-\$5,000 monthly for providing services in the community. Services and cost data were used to calculate the cost per child of (1) out-of-home placement for the 12 months prior to program admission and (2) the cost of services for the first 12 months after admission within the system of care program. When these services and cost data were compared, a reduction in cost per child for children enrolled in the system of care program was obtained.</p> <p>Youth and family surveys and level of functioning scales were used to examine effectiveness and whether outcomes improved over time. Because out-of-home placements for children are significantly more costly than delivering services to children in the community, a reduction in out-of-home placement days led to reduced overall service costs, an indication of the positive impact of system of care services on children, families, and the community as a whole.</p>	<p>In 1999, Pennsylvania began the implementation of HealthChoices, its Medicaid Behavioral Health Managed Care program. Beaver County was among 10 counties in southwestern Pennsylvania to participate, and opted to assume the risk directly. This enabled the county to create the infrastructure to continuously monitor cost, quality, access, and use of services. It also generated a central repository of claims data so service use and cost data for each medical assistance—eligible service from 1999 to the present could be reviewed. This dataset is updated monthly.</p> <p>In planning the implementation of Beaver County's System of Care: Optimizing Resources, Education and Supports (BC SCORES), the service system was organized to allow for the use of this well-developed managed care program. This centralized system will be expanded to allow for the integration of services and cost data from children and youth and the Juvenile Justice System. This expansion is underway, but far from complete.</p>
<p>TIP OF THE MONTH! Don't forget about participant rights and responsibilities! Consent to access service and cost data is critically necessary to collect data for the Services and Cost Study. Informed consent forms should specify the types of billing and/or agency records that may be extracted as part of the data collection.</p> <p style="text-align: right;"><i>-Anna Krivelyova Services and Costs Study Team</i></p>	<p><i>Nancy M. Callahan -Glenn County, CA</i></p>	<p><i>Holly Wald & Ray Grabowski -Beaver County, PA</i></p>

Urban Trails—Oakland, CA	Future Evaluation Update Topics
<p>The Native American Health Center (NAHC), a licensed community clinic with offices in Oakland and San Francisco, is the largest agency serving American Indians in the San Francisco Bay Area. Clinic services include medical, dental, HIV/AIDS, substance abuse, mental health, Women, Infants and Children (WIC), and youth programs.</p> <p>The Family & Child Guidance Clinic (FCGC) of NAHC, located in Oakland, developed Urban Trails, a holistic system of care for Native Americans in an urban environment. Individual, family and group services are enhanced through the use of traditional healers as consultants in a talking circle or sweat lodge ceremony.</p> <p>The current FCGC management information system allows us to track: (1) the number of clients served monthly and annually; (2) breakdowns of types of services provided and numbers in attendance; and (3) community stakeholder meetings, community events, and training workshops that staff attend or host. The Urban Trails evaluation team can use these data to:</p> <ul style="list-style-type: none"> Monitor types of services provided to each child and family through individualized service plans; and Track fiscal information as to cost of treatment and use of third party reimbursements. <p>Clients are better served by this evaluation strategy and Urban Trails demonstrates good client participation and high retention rates. Preliminary analysis of data from intake to 12 months indicates positive outcomes reported by participants, including a reduction in acting-out behavior.</p> <p style="text-align: right;"><i>Chirag Patel, Mohit Dua, & Lorraine Y. Martinez Espitallier -Oakland, CA</i></p>	<ul style="list-style-type: none"> ⇒ Youth Involvement in Evaluation ⇒ Tribal System of Care Communities ⇒ Early Childhood Community Evaluation Efforts ⇒ System of Care Assessments

A Recent Services and Costs Study Finding

A national evaluation study compared the costs of providing Parent Child Interaction Therapy (PCIT) integrated within system of care services for children with disruptive behavioral disorders to the costs of providing system of care services alone. Costs of providing PCIT along with system of care services were found to be **significantly lower** than the costs of system of care services alone. Children receiving PCIT in addition to system of care services exhibited similar or higher rates of improvement compared to children receiving only system of care services.

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Questions or Comments? E-mail acain@wrma.com