PROJECTED COST SAVINGS WORKGROUP

INSTITUTIONAL VS. COMMUNITY BASED CARE

Commission on Nonprofit Health and Human Services

DRAFT

Progress Report
February 7, 2011

Since the issuance of the Preliminary Report in December of 2010, the Projected Cost Savings Workgroup has held two scheduled meetings and a conference call. As a result of these meetings, the Workgroup agreed to look at qualitative and cost variables from an institution vs. community perspective. The Workgroup also agreed to establish a common reporting platform/template for collecting and comparing the requested data across state agencies. This template included references to data sources and detailed back-up information to support any data reported. Aggregate cost data was requested from DMHAS, DCF, DDS, DPH, DOC, and DSS for both the state government and the non-profit sector through the grant information and fiscal reporting that the state agencies have through POS contracts with private providers.

The Workgroup concluded that the most useful and meaningful data to secure across the various non-profit sectors for Institutional vs. Community Based Care would be generated by sampling costing data from DCF, DMHAS and DDS. These agencies were requested to submit a comprehensive worksheet that their fiscal staff assisted in developing. The data was summarized in the workgroup's template. In addition, the Workgroup requested that the remaining departments (DPH, DOC and DSS) provide their data on the summary template only.

The task of providing this data has been a challenge for the various reporting agencies. Several factors have contributed to the need for extended time to gather and analyze data for the Workgroup. Some of these factors include:

- The workloads of the fiscal sections within the state agencies during a time of significant change and heavy reporting requirements to other state agencies has frequently contributed to delays in securing the requested data.
- The need to clarify service sector data definitions across agencies in a meaningful way and the variability of any standardization has made this task challenging; however, this has been an important "lessons learned "experience.
- The recognition and Workgroup consensus that comparability of data/costing between departments has limited use and should be discouraged.

- Populations served and service needs are diverse and even unique in many sectors, therefore, making comparisons would be a disservice to the populations served and their providers.
- The Workgroup concluded that a separate analysis of data within each state agency and how it related to institutional vs. community based care was most meaningful.
- The most challenging and time consuming task for the agencies was the aggregating of non-profit grant data for analysis and reporting in accordance with our template. The Workgroup hopes that this can be the impetus for a more standardized and comprehensive reporting system across state agencies.

It is increasingly evident that data trends across agencies point to the cost effectiveness of community based care vs. institutional care. This trend needs to be embraced with the recognition that true cost savings can only be generated through a thoughtful and strategic planning process that recognizes and balances with great care, both the risks and benefits that will impact our clients and implementing the necessary health care systems and infrastructure to support clients across the continuum of care.

The Workgroup has gathered data from almost all of the reporting agencies and is still reviewing and requesting additional information and analysis that is believed to be critical before it can release a meaningful data report to the Commission. The implications and sensitivity of the information require that the Workgroup take additional time to complete this final task. In addition, the Workgroup is analyzing data provided by OPM and OFA to project costs associated with the provision of services by private providers under state health and human services programs. The Workgroup will have a draft report of the data submitted before the March 8th Commission meeting.