

CPAs / ADVISORS



Crisis Services and Group Homes Analysis

November 2024

For Discussion Purposes Only

Introduction/Background

- As part of the anticipated transformation to the Certified Community Behavioral Health Clinic (CCBHC) model, the CMHCs in the State of Indiana have been providing related Crisis Services.
- Certain of the CMHCs also provide behavioral healthcare in Group Homes.
- This study provides an analysis of the provision of care in Crisis Services settings compared to the cost of Inpatient Hospitalization and/or the cost of Jails.
- This study also provides an analysis of the provision of care in Group Homes settings compared to the cost of State Psychiatric Hospitalization.

Crisis Services/Group Homes Study – Information Sources

- The information herein related to the CMHCs was derived from a survey across the state.
- The survey information was requested for the period of January 1, 2024 through June 30, 2024.
- The results are annualized to get an estimated annual impact.
- The information related to inpatient hospitalization was computed using 25 hospitals using an average length of stay of 5 days (cost per day of \$1,070.56)
- The information related to jail costs was computed from an analysis 9 counties total budget for jail costs divided by the associated jail population.
- The information related to cost per client (total costs divided by total clients) in a state psychiatric hospital was computed utilizing 6 state psychiatric hospitals in the state.

Crisis Services Study

	<u>Crisis Services vs IP Hospitalization</u>	<u>Crisis Services vs Jail</u>
1 Cost Per Client in IP Hospitalization/Jail	\$ 5,353	\$ 9,667
2 Clients Diverted From IP Hospitalization/Jail	10,130	2,715
3 Total Cost for IP Hospitalization/Jail	<u>54,225,676</u>	<u>26,241,072</u>
2 Crisis Services Costs (Net Revenue/Grants)	29,097,111	29,097,111
2 Total Number of Clients Served	<u>21,371</u>	<u>21,371</u>
4 Average Cost per Client Diverted From IP Hospitalization/Jail	1,362	1,362
5 Total Cost for Crisis Services Diverted From IP Hospitalization/Jail	<u>13,792,175</u>	<u>3,695,855</u>
6 Difference	<u>40,433,501</u>	<u>22,545,217</u>
7 Annualized Amounts	<u><u>\$ 80,867,002</u></u>	<u><u>\$ 45,090,434</u></u>

1 See Crisis Services/Group Homes Study - Information Sources (Slide 3)

2 Per CMHC Survey

3 Cost Per Client in IP Hospitalization/Jail setting multiplied by the number of clients diverted from those settings.

4 Total Costs Divided by Total Number of Clients Served

5 Clients Diverted From IP Hospitalization/Jail multiplied by Average Cost Per Client Served in Crisis Setting

6 Difference between Total Cost for IP Hospitalization/Jail and the Total Cost for Crisis Services for clients diverted from IP Hospitalization/Jail

7 Study/Analysis was for 6 months. This is the annualized amount (Study/Analysis Amount multiplied by 2).

Group Homes Study

	Group Homes vs State Psychiatric Hospital	
1 Average Cost Per Client for State Psychiatric Hospital	\$	74,957
2 Number of Clients Served in Group Homes		1,391
3 Total Cost for State Psychiatric Hospital		104,264,492
4 Average Cost per Client In Group Homes		14,289
5 Total Cost (Net Revenue/Grants) In Group Homes		19,875,421
6 Difference		84,389,071
7 Annualized Amounts	\$	168,778,141

- 1 See Crisis Services/Group Homes Study - Information Sources (Slide 3)
- 2 Per CMHC Survey
- 3 Cost Per Client in a State Psychiatric Hospital setting multiplied by the number of clients in Group Homes
- 4 Total Costs For Group Homes Divided by Total Number of Clients Served
- 5 Clients in Group Homes multiplied by Average Cost Per Client Served in Group Homes
- 6 Difference between Total Cost for State Psychiatric Hospital and the Total Cost for Crisis Services for Group Home Clients
- 7 Study/Analysis was for 6 months. This is the annualized amount (Study/Analysis Amount multiplied by 2).

Crisis Services/Group Homes Study – Further Considerations

- This presentation includes a high-level financial analysis of the return on investment in Crisis Services and Group Home Services.
- The analysis herein is only intended to be directional in nature and is to be used for discussion purposes only.
- Finally, the provision of care in the Crisis Services and Group Home Services is a significant benefit to the community and are lower cost settings when appropriate.