

Santa Clara County Economic Model

The following includes a unit cost roll up for both the Adult and Youth systems of care and a separate attachment for each system. Additionally the work sheets are attached that indicate the assumptions developed to derive the cost analysis. Below will be a brief description of each modality and the method for monetizing the services:

1. Outpatient Services:

a. Adult services were developed based on the following averaged services that will be provided to a client over a 90 day episode. The “bundle” of services will include the following:

- i. Intake and Assessment (1) episode averaging (90) minutes
- ii. Treatment Planning averaging (90) minutes over (1) or (2) sessions
- iii. Individual Treatment (8) sessions at (50) minutes
- iv. Family Treatment (2) session at (50) minutes
- v. Recovery Group services (8) sessions at (90) minutes
- vi. Psycho-educational Groups (8) sessions at (50) minutes
- vii. Discharge Planning (1) session at (90) minutes

This will provide a total of 1890 minutes (32 hours) of service on average for each adult outpatient client.

b. Youth Services were based also on an average length of stay of (90) days:

- i. Intake and Assessment (1) episode averaging 90 minutes
- ii. Treatment Planning averaging 90 minutes over (1) of (2) sessions
- iii. Individual Treatment (10) sessions at 50 minutes
- iv. Family Treatment (6) session at 50 minutes
- v. Recovery Group services (10) sessions at (90) minutes
- vi. Psycho-educational Groups (5) sessions at (50) minutes
- vii. Discharge Planning (1) session at (90) minutes

This will provide a total of 1920 (32.5 hours) of service on average for each youth outpatient client. There is a greater emphasis on individual and family work with the youth services.

2. Partial Hospitalization Adult-The Department will start with (20) slots and an average length of stay (LOS) of (40) actual days of services based on (5) days of (4.5 to 6 hours) of programming per week.

The day rate is based on review of the cost of a residential day and an Intensive outpatient day with a pegged average of \$87.00 per day of services.

3. Intensive Outpatient Services:

a. Adult services will be provided with an average LOS of (38.5) days. Weekly average participation is 3.5 days. Weekly average hours will be (14) hours of services.

- b. Youth services** will be provided with an average LOS of (14) days. Weekly average participation is 2 days. Weekly (6) hours of services.
- 4. Recovery Services** include two initial modalities for both Adult and Youth treatment services:
- a. Adult/Youth services** will provide "Relapse Prevention" and "Continuous Recovery Monitoring" (CRM) for up to (180) days
- i. Relapse prevention:**
It is projected that 35% of clients discharging from treatment will enter the program. Services will include:
1. Individual Counseling (10) sessions at (50-90) minutes
 2. Group Support (12) sessions at (90)
 3. Family Support Individual sessions (8) at (50) minutes
- ii. CRM** will be provided to 50% of the clients. This will be comprised of an average of (1) phone contact per month for (10) months with an average call time of (15) minutes. **Note:** The use of the (50) minute session block does not work with the CRM and the department recommends developing this reimbursement on a minute unit to allow for proper billing and control of costs for this service.
- 5. Case Management Services**
- a. Adult** is based on actual experience within the outpatient system. On average 15% of total treatment services have been associated with targeted case management services. The model projects that in the adult system 15% of the total hours will be case management activities (225-284) minutes or average (4-5 hours). It is projected that 40% of the clients will need case management services.
- b. Youth** is based on 25% of the served clients will need case management services with an average of (225-284) minutes of services.
- 6. Physician Consultation** in the first year it is projected that the Department's physicians will provide consultation services to (431) beneficiaries with an average of (2) sessions of (15) minutes. The Department needs to discuss how this services will be direct billed or passed through to the physician service group from the provider that is uses this service.
- 7. Residential Treatment**
- a. Adult Residential** services are based on an average bed day rate of \$138.31. Of that 27% is board and care expense leaving a net DMC rate of \$104.36.
- b. Youth Residential** services costs \$330 per day with a DMC billable rate of \$227.00.

Further Explanation of Unit Rate Development Santa Clara County

Outpatient, Recovery Services, Case Management;

The Department submitted unit rates that have been developed for providers in the Short-Doyle Mental Health system. These rates have been established over a number of years and reconciled in the annual cost reports. They include both Mental Health Treatment and Targeted Case Management services. The Alcohol and Drug System has contracts with providers that also work within the Short-Doyle system and therefore believe that these are accurate rates to use for the DMC-ODS.

The Department anticipates that the mix of paraprofessional (Certified) and licensed clinicians will mirror the mix in the mental health system. All providers are limited to no more than 15% Administrative Overhead and on average are at 13%. For the delivery system with the significant increase in compliance and documentation associated with the DMC expansion-providers will need to add both LPHA's and Quality Improvement Staff to the operations which further sustains the use of the unit rates from the Short-Doyle operations.

Draft Operational Budgets

Included in this submission are mock budgets for Partial Hospitalization, Intensive Outpatient and Outpatient. The salaries are based on current averages within the community provider networks contracting with the department. Each of the budgets represent the projected client services and level of staffing necessary to meet ASAM placement criteria.

For the **Partial Hospitalization** a Psychiatrist is included at four (4) hours per week to address the more complicated issues that are called for with the level of care as related to co-occurring symptomology. In addition to the need to provide medical, psychological, laboratory and toxicology services. This additional level of "support services" is reflected in the services and supplies rate for this program and substantiates the day rate that was developed.

Cost Inflation

The County entered into a five (5) year contract with the labor unions and the agreed annual COLA's are included in this packet. The County policy is to provide the community providers the same COLA adjustments and this is reflected in the documents included with this packet.

Job Descriptions

Attached are the four principle positions necessary for the waiver implementation:
Rehabilitation Counselor-This is the Paraprofessional level and requires Certification
Marriage and Family-Licensed
Psychiatric Social Worker
Quality Improvement-Utilized for Assurance and Improvement work

These work duties reflect both county and contract agencies.

Unit Cost Explanation for Outpatient and Recovery Services

The average case load for both modalities is expected to average 28 open cases per each full time equivalent staff. This results in the following projected staff:

Outpatient Services

Open Cases 455 open DMC eligible @ caseload 25/FTE=16.25

Recovery Services 1552 open @ caseload 28/FTE=20.25

Total Staffing 45.5 Staff

Productivity is calculated using the standard of 1664 available work hour per FTE at a rate 50% for treatment and recovery services add up to 15% for case management services for an expected rate of 65% OR 1080 hours of billable DMC services annually.

Partial Hospitalization Budget Development

Static Slots

20

	Salary	FTE		Benefits @ 33%	Total	Medi-Cal
Certified Counselors	55,000	2.50	\$ 137,500	\$ 45,375	\$ 182,875	\$ 82,294
LPHA	65,000	0.50	\$ 32,500	\$ 10,725	\$ 10,725	\$ 4,826
Program Director	90,000	0.10	\$ 9,000	\$ 2,970	\$ 11,970	\$ 5,387
Program Supervisor	76,000	0.50	\$ 38,000	\$ 12,540	\$ 50,540	\$ 22,743
Clerical Support	40,000	1.00	\$ 40,000	\$ 13,200	\$ 53,200	\$ 23,940
Psychiatrist	330,000	0.10	\$ 33,000	\$ 10,890	\$ 33,000	\$ 14,850
Peer Specialist	36,000	2.00	\$ 72,000	\$ 23,760	\$ 95,760	\$ 43,092
Billing/IS	96,000	0.25	\$ 24,000	\$ 7,920	\$ 31,920	\$ 14,364
Quality Improvement	88,000	0.05	\$ 4,400	\$ 1,452	\$ 5,852	\$ 2,633
Total Salaries Direct Services					\$ 475,842	\$ 214,129
Service and Supplies @21% of Direct Services					\$ 99,402	\$ 44,731
Administrative Overhead @13% of Total Cost					\$ 85,956	\$ 38,680
Total Operational Cost					\$ 661,200	\$ 297,540

Intensive Outpatient Services

Slots

32

	Salary	FTE		Benefits @ 33%	Total	Medical
Certified Counselors	55,000	3.50	\$ 192,500	\$ 63,525	\$ 256,025	\$ 115,211
LPHA	65,000	0.50	\$ 32,500	\$ 10,725	\$ 10,725	\$ 4,826
Program Director	90,000	0.10	\$ 9,000	\$ 2,970	\$ 11,970	\$ 5,387
Program Supervisor	76,000	0.75	\$ 57,000	\$ 18,810	\$ 75,810	\$ 34,115
Clerical Support	40,000	1.00	\$ 40,000	\$ 13,200	\$ 53,200	\$ 23,940
Quality Improvement	88,000	0.05	\$ 4,400	\$ 1,452	\$ 5,852	\$ 2,633
Billing/IS	96,000	0.25	\$ 24,000	\$ 7,920	\$ 31,920	\$ 14,364
Total Salaries Direct Services					\$ 445,502	\$ 200,476
Service and Supplies @20% of Direct Services					\$ 90,149	\$ 40,567
Administrative Overhead @13% of Total Cost					\$ 80,040	\$ 36,018
Total Operational Cost					\$ 615,691	\$ 277,061

Outpatient Services CBO

Static Slots

1,080

Benefits @ 33%

CBO

Certified Counselors	55,000	35.00	\$ 1,925,000	\$ 635,250	\$ 2,560,250	\$ 1,152,113
LPHA	65,000	10.00	\$ 650,000	\$ 214,500	\$ 214,500	\$ 96,525
Program Director	90,000	5.00	\$ 450,000	\$ 148,500	\$ 598,500	\$ 269,325
Program Supervisor	76,000	5.00	\$ 380,000	\$ 125,400	\$ 505,400	\$ 227,430
Clerical Support	40,000	13.00	\$ 520,000	\$ 171,600	\$ 691,600	\$ 311,220
Peer Specialist	40,000	10.00	\$ 400,000	\$ 132,000	\$ 532,000	\$ 239,400
Quality Improvement	88,000	6.00	\$ 528,000	\$ 174,240	\$ 702,240	\$ 316,008
Billing/IS	96,000	4.00	\$ 384,000	\$ 126,720	\$ 510,720	\$ 229,824
Total Salaries Direct Services					\$ 6,315,210	\$ 2,841,845
Service and Supplies @21% of Direct Services					\$ 1,350,274	\$ 607,623
Administrative Overhead @13% of Total Cost					\$ 1,134,655	\$ 510,595
Total Operational Cost					\$ 8,800,139	\$ 3,960,062

Cost Infiator Table

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
		3.25%	3%	3%	3%	3%
Outpatient	\$56.78	\$57.81	\$59.55	\$61.33	\$63.17	\$65.07
Partial Hospitalization	\$87.00	\$88.03	\$90.67	\$93.39	\$96.20	\$99.08
Intensive Outpatient	\$79.96	\$80.99	\$83.42	\$85.92	\$88.50	\$91.16
Recovery Services	\$59.29	\$60.32	\$62.13	\$64.00	\$65.92	\$67.89
Case Management	\$35.59	\$36.62	\$37.72	\$38.85	\$40.02	\$41.22
Physician Consultation	\$216.45	\$217.48	\$224.01	\$230.73	\$237.65	\$244.78
Residential Adult	\$104.36	\$105.39	\$108.55	\$111.81	\$115.17	\$118.62
Residential Perinatal	\$133.00	\$134.03	\$138.05	\$142.20	\$146.46	\$150.85

SANTA CLARA VALLEY HEALTH & HOSPITAL SYSTEM							
BEHAVIORAL HEALTH SERVICES							
Substance Use Treatment Services Expansion - Combined Adult & Youth							
Service Utilization Assumptions							
Combined Adult & Youth Worksheet							
Residential			45% (90% perinatal) total clients assumed to be Medi-Cal eligible				
	<u>Beds</u>	<u>Clients Served</u>	<u>Medi-Cal</u>	<u>LOS Days</u>	<u>Total Days</u>	<u>Rate</u>	
Adult	195	1,755	790	40	31,590	\$134.26	\$4,241,311
Youth	8	97	44	30	1,310	\$422.43	\$553,385
Perinatal	42	40	36	182	6,552	\$224.90	\$1,473,563
Total	203	1,892	870		39,452	\$158.88	\$6,268,258
Partial Hospitalization			45% total clients assumed to be Medi-Cal eligible				
	<u>Slots</u>	<u>Clients Served</u>	<u>Medi-Cal</u>	<u>15 Min Units</u>	<u>Total Units</u>	<u>Rate</u>	
	20	190	86	480	41,040	\$26.16	\$1,073,764
IOP			45% total clients assumed to be Medi-Cal eligible				
	<u>Slots</u>	<u>Clients Served</u>	<u>Medi-Cal</u>	<u>15 Min Units</u>	<u>Total Units</u>	<u>Rate</u>	
	44	270	122	630	41,580	\$23.79	\$988,993
OPDF Contract			45% total clients assumed to be Medi-Cal eligible				
	<u>Slots</u>	<u>Clients Served</u>	<u>Medi-Cal</u>	<u>15 Min Units</u>	<u>Total Units</u>	<u>Rate</u>	
Adult	858	3,432	1,544	67	103,475	\$41.76	\$4,321,250
Youth	111	444	200	87	17,383	\$41.76	\$725,921
OPDF County							
Adult	150	600	270	67	18,090	\$127.00	\$2,297,424
Youth	120	480	216	87	18,792	\$127.00	\$2,386,578
Total	1,239	4,956	2,230		157,739	\$61.69	\$9,731,173
Recovery Services							
CBOs			<u>Medi-Cal</u>	<u>15 Min Units</u>	<u>Total Units</u>	<u>Rate</u>	
Relapse			784	73	57,219	\$41.76	\$2,389,531
CRM			698	10	6,977	\$41.76	\$291,361
County							
Relapse			292	73	21,287	\$127.00	\$2,703,416
CRM			194	10	1,944	\$127.00	\$246,887
Total			1,967		87,426	\$64.41	\$5,631,195
Case Management			40% total clients assumed to be Medi-Cal eligible				
		<u>Clients Served</u>	<u>Medi-Cal</u>	<u>15 Min Units</u>	<u>Total Units</u>	<u>Rate</u>	
CBO		7,152	2,817	15	42,251	\$31.47	\$1,329,490
County		456	294	15	4,410	\$98.13	\$432,740
Total		7,608	3,111		46,661	\$37.77	\$1,762,229
Medical Consultation services@ 15%			15% clients require med consultation				
			<u>Medi-Cal</u>	<u>15 Min Units</u>	<u>Total Units</u>	<u>Rate</u>	
			448	2	895	\$234.62	\$209,992
						Grand Total	\$25,665,605

Adult/Youth Treatment

Estimated Utilization and Proposed Rates (Combined):

Services Provided By Modality (Funded By DMC)	FY 2017 Projected total fund Expenditures	Projected total Units of Service To be delivered	Projected total Beneficiaries served	Proposed Interim Rate per USOS
Outpatient	\$9,731,173	157,739	2,230	\$61.69
Partial Hospitalization	\$1,073,764	41,040	86	\$26.16
Intensive Outpatient	\$988,993	41,580	122	\$23.79
Recovery Services	\$5,631,195	87,426	1,967	\$61.69
Case Management	\$1,762,229	46,661	3,111	\$37.77
Physician Consultation	\$209,992	895	448	\$234.62

Withdrawal Management:

<u>Level 1-WM</u>	\$1,124,521	6,570	842	\$171.16
<u>Level 2-WM</u>				
<u>Level 3.2 WM</u>				

Residential:

Levels 3.1, 3.3, 3.5 (Adult, Perinatal & Youth)	\$6,268,258	39,452	870	\$158.88
------------------------------------------------------------	--------------------	---------------	------------	-----------------

Adult Treatment

Estimated Utilization and Proposed Rates:

Services Provided By Modality (Funded By DMC)	FY 2017 Projected total fund Expenditures	Projected total Units of Service To be delivered	Projected total Beneficiaries served	Proposed Interim Rate per USOS
Outpatient	\$6,618,674	121,565	1,814	\$54.45
Partial Hospitalization	\$1,073,764	41,040	86	\$26.16
Intensive Outpatient	\$791,195	33,264	72	\$23.79
Recovery Services	\$3,921,110	67,551	1,552	\$58.05
Case Management	\$1,648,179	44,752	2,983	\$36.83
Physician Consultation	\$209,992	895	448	\$234.62

Withdrawal Management:

Level 1-WM	\$1,124,521	6,570	842	\$171.16
Level 2-WM				
Level 3.2 WM				

Residential:

Levels 3.1, 3.3, 3.5 Adult	\$4,241,311	31,590	790	\$134.26
Perinatal	\$1,473,563	6,552	136	\$224.90

Youth Treatment

Estimated Utilization and Proposed Rates:

Services Provided By Modality (Funded By DMC)	FY 2017 Projected total fund Expenditures	Projected total Units of Service To be delivered	Projected total Beneficiaries served	Proposed Interim Rate per USOS
Outpatient	\$3,112,499	36,175	416	\$86.04
Intensive Outpatient	\$197,799	8,316	50	\$23.79
Recovery Services	\$1,710,086	19,875	416	\$86.04
Case Management	\$114,051	1,909	127	\$59.76

Withdrawal Management (NA):

Level 1-WM				
Level 2-WM				
Level 3.2 WM				

Residential:

Youth Residential	\$553,385	1,310	44	\$422.43
-------------------	-----------	-------	----	----------

**Table IV. 1. Proposed Rates for youth and adults combined: Summary
FY 2017**

Services provided by Modality (fund by DMC)	Proposed Rate	Service Length/Unit of service (day-hour)
Outpatient	\$61.69	15 Minute Session
Partial Hospitalization	\$26.16	15 Minute Session
Intensive Outpatient	\$23.79	15 Minute Session
Recovery Services	\$64.41	15 Minute Session
Case Management	\$37.77	15 Minute Session
Physician Consultation	\$234.62	15 Minute Session

Withdrawal Management:

Level 1-WM	NA	
Level 2-WM	\$171.16	Per Day
Level 3-WM	NA	
Level 3.7&4 WM	NA	

Residential:

Levels 3.1, 3.3, 3.5 Adult, Perinatal & Youth	\$158.88	Per Day
--------------------------------------------------------------	-----------------	----------------

Table IV.2 Proposed Rates for Adult Treatment: Summary FY 2017

Services provided by Modality (fund by DMC)	Proposed Rate	Service Length/Unit of service (day-hour)
Outpatient	\$54.45	15 Minute Session
Partial Hospitalization	\$26.16	15 Minute Session
Intensive Outpatient	\$23.79	15 Minute Session
Recovery Services	\$58.05	15 Minute Session
Case Management	\$36.83	15 Minute Session
Physician Consultation	\$234.62	15 Minute Session

Withdrawal Management:

Level 1-WM	\$171.16	Per Day
Level 2-WM	NA	
Level 3-WM	NA	
Level 3.7&4 WM	NA	

Residential:

Levels 3.1, 3.3, 3.5 Adult	\$134.26	Per Day
Perinatal	\$224.90	Per Day

Table IV. 3 Proposed Rates for Youth: Summary FY 2017

Services provided by Modality (fund by DMC)	Proposed Rate	Service Length/Unit of service (day-hour)
Outpatient	\$86.04	15 Minute Session
Intensive Outpatient	\$23.79	15 Minute Session
Recovery Services	\$86.04	15 Minute Session
Case Management	\$59.76	15 Minute Session

Withdrawal Management:

Level 1-WM	NA	
Level 2-WM	NA	
Level 3-WM	NA	

Residential:

Youth Residential	\$422.43	Per Day
--------------------------	-----------------	----------------