Community Supportive Housing

Cost analysis
Office of Housing and Homeless Services

• Establish and maintain housing options for persons with mental illness and co-occurring disorders

• Housing options secured by Office:
  • Creating Homes Initiative: rental and home ownership
  • Community Supportive Housing (CSH)
    • Independent living
    • Group homes: 24/7, partial or no supervision
    • Intensive long-term support
  • Community Targeted Transitional Support
  • Inpatient Targeted Transitional Support
What is the cost effectiveness of Community Supportive Housing?

• *Evaluate Community Supportive Housing bed data*
  - FY 2011 - 2012

• *Studied all contracted agencies*
  - Represent more than 75 housing facilities statewide
    - Ongoing contract relationships
    - Receive supplemental support from state and block grant funds

• *Three housing categories*
  - Intensive long-term support
  - Group home
  - Independent living
Continuum of Housing Options

- Intensive long-term support
- Supervised group home
- Partially supervised
- Independent Congregate
- Independent living scattered site
- Rental
- Homeownership

Study Focus

- Less independent
- More restrictive
- Highest level of support services needed
- More independent
- Less restrictive
- Lowest level of support services as needed
COMMUNITY SUPPORTIVE HOUSING BEDS
Total Contract Awards for CSH

- TDMHSAS contracts with agencies to supplement the program costs associated with CSH

- Contract award does not pay 100% of program costs
  - Agencies will use funding for:
    - Building operations
    - Supportive services

- Agencies leverage funds from other sources:
  - TennCare
  - Client (SSI, SSDI)
  - HUD
  - Tennessee Housing Development Agency

### Table 1. Contract award amounts FYs11-13

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total Contract Awards*</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 11</td>
<td>$4,178,860</td>
</tr>
<tr>
<td>FY 12</td>
<td>$4,178,860</td>
</tr>
<tr>
<td>FY 13</td>
<td>$4,182,360</td>
</tr>
</tbody>
</table>

*Excludes Intensive Long-term Support beds

9/22/2015 TDMHSAS Office of Research 6
Group Home and Independent Living Beds

- Total number of contracted beds has remained unchanged at 773 beds
  - Individual agency contracts have varied

- Some facilities do not report on every contracted bed

- Remainder of analyses based only on beds with data (unless otherwise noted)

Figure 1. Number of beds with monthly data FYs 11-13
Number of Reported Beds by Type

Reported beds by type
FYs 11-13

- FY 11: Group home beds 325, Independent living beds 345
- FY 12: Group home beds 323, Independent living beds 351
- FY 13: Group home beds 345, Independent living beds 337

(TDMHSAS Office of Research 9/22/2015)
Group Home and Independent Living Bed Occupancy

Average monthly occupancy and vacancy rate
FYs 11-13

- Contracts state each facility must maintain a minimum of 75% occupancy
  - Individual agency occupancies may vary based on number of beds reported
INTENSIVE LONG-TERM SUPPORT BEDS
Contract awards for ILS Beds

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total Contract Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 11</td>
<td>$687,800</td>
</tr>
<tr>
<td>FY 12</td>
<td>$687,800</td>
</tr>
<tr>
<td>FY 13</td>
<td>$4,287,640</td>
</tr>
</tbody>
</table>

- Aim to serve patients discharged from RMHIs
  - More expensive to operate
  - Clients have higher level of care need

- In FY 13
  - Helen Ross McNabb and Frontier
  - One-time startup costs
  - 13.5 - 14 month contract
Intensive Long-term Support (ILS) Beds

- FY 11 and FY 12 total contracted beds equaled 40
  - Increase in contracted beds FY 13
    - 28 bed increase as result of east TN transformation of services
Intensive Long-term Support Bed Occupancy

- Occupancy rate decreased in FY13
  - Helen Ross McNabb (12 Beds; 100% occupancy)
  - Frontier (16 Beds; only 50% occupancy during FY13)
COST ANALYSIS
## Cost Estimates

Estimate for all group home and independent living contracted beds:

<table>
<thead>
<tr>
<th></th>
<th>FY 11</th>
<th>FY 12</th>
<th>FY 13</th>
<th>3-YR Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total contracted beds</td>
<td>773</td>
<td>773</td>
<td>773</td>
<td>773</td>
</tr>
<tr>
<td>Total Spending*</td>
<td>$4,178,860</td>
<td>$4,178,860</td>
<td>$4,182,360</td>
<td>$4,180,027</td>
</tr>
<tr>
<td>Estimated cost per bed per year</td>
<td>$5,406</td>
<td>$5,406</td>
<td>$5,411</td>
<td>$5,408</td>
</tr>
<tr>
<td>Estimated cost per bed per day</td>
<td>$14.81</td>
<td>$14.81</td>
<td>$14.82</td>
<td>$14.82</td>
</tr>
</tbody>
</table>

*State and Mental Health Block Grant dollars; Does not include additional funds leveraged by agencies
Cost by Bed Type

- Estimated figures based on complete FY 12 data
  - Excludes data from agencies that provide both bed types
  - Individual facility information needed to include other 483 beds

<table>
<thead>
<tr>
<th></th>
<th>Total number of beds</th>
<th>Total contract award</th>
<th>Range of State awarded funds per bed</th>
<th>Average State cost per bed</th>
<th>Estimated FY 12 Total bed cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group home</td>
<td>138</td>
<td>$1,533,000</td>
<td>$3,606 - $20,012</td>
<td>$11,108</td>
<td>$3,587,884 (n=323)</td>
</tr>
<tr>
<td>Independent</td>
<td>152</td>
<td>$400,650</td>
<td>$541 - $9,375</td>
<td>$2,636</td>
<td>$925,236 (n=351)</td>
</tr>
</tbody>
</table>
IMPACT OF HOUSING ON PSYCHIATRIC HOSPITALIZATION
## Psychiatric Inpatient Days

### Psychiatric Hospital Days for CSH; 2011 & 2012

<table>
<thead>
<tr>
<th></th>
<th>2011 Totals</th>
<th>2012 Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total residents at all agencies</td>
<td>523</td>
<td>540</td>
</tr>
<tr>
<td>Psychiatric inpatient hospital days in year prior to living at housing facility</td>
<td>2,869</td>
<td>3,828</td>
</tr>
<tr>
<td>Psychiatric inpatient hospital days in last year</td>
<td>443</td>
<td>585</td>
</tr>
<tr>
<td>Number of residents included in psychiatric inpatient data</td>
<td>97</td>
<td>130</td>
</tr>
<tr>
<td>Percent reduction in psychiatric hospital days</td>
<td>85%</td>
<td>85%</td>
</tr>
</tbody>
</table>
# Cost Savings on Psychiatric Inpatient Days

<table>
<thead>
<tr>
<th>Cost estimate of Inpatient Psychiatric Days</th>
<th>April 2011 &amp; 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of days and total cost in the year prior to housing</td>
<td>Number of days and total cost in the past year</td>
</tr>
<tr>
<td>Number of Days</td>
<td>Cost</td>
</tr>
<tr>
<td>April 2012</td>
<td>3,828</td>
</tr>
</tbody>
</table>

- **Cost of psychiatric inpatient days**
  - $877 (represents the rate, not actual amount billed)
  - Average of sub-acute and acute care rates across RMHIs
  - Conservative estimate based on the number of inpatient days reported by agencies
CONCLUSIONS AND UPDATES
Summary of Analysis

• CSH Average yearly cost per person $5,408
  • Cost per day = $14.82
  • Estimates are conservative because contracts represent partial support of total program costs

• 85% reduction in psychiatric inpatient days
  • Savings of $2.8 million in 2012 (conservative estimate)

• A more detailed cost analysis would require additional information
  • Client-level information such as race, gender, ethnicity, diagnosis
  • Agency/facility specific data requests (e.g., costs)
  • Costs of other alternatives to housing
UPDATES

• **Client Level Data**
  • Developed database to capture client level data
    • Quarterly reports

• **Intensive Long-term Support beds**
  • ILS occupancy at Frontier has increased from 50% to 87.5%
  • 14 ILS beds are projected to open in January of 2014
    • Located in Memphis

• **New housing options along housing continuum**
  • According to the FY 14 first quarter report: 1,031 new housing options have been created.
    • Goal for FY14 was 750.