Research Design and Policy Implications from the First State-Wide Assessment of Substance Abuse Treatment Costs

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Review of Main Findings

• Overlap of substance abuse and mental health service delivery
• Meeting appropriate personnel prior to site visits
• Participation of all stakeholders
• Financial and/or technical assistance incentives for agency participation
Review of Main Findings

• Review data collection protocol with agency staff
• Expand the timeline for the study
• Considerable variation in costs across modalities
• For an given modality, variation in costs across regions as well

Health Economics Research Group
Introduction

- Florida population: 16 million
- 1.3 million adults in Florida with substance abuse problems
- 335,000 adolescents in Florida with substance abuse problems
- Significant increase in prescription drug abuse in past decade
- Florida has the 2\textsuperscript{nd} largest per capita veteran population in the nation (1.7 million)
Treatment Needs/Delivery

- NSDUH estimates 1.25 million adults in need of services in 2009-2010
  - 135,942 adults with SA problems were provided services
  - About 1,300 adults per month with SA problems are on a waiting list
- FL Youth Substance Abuse Survey estimates 321,622 children/adolescents in need of services in 2009-2010
  - 49,172 children/adolescents with SA problems were served
  - About 200 children/adolescents per month with SA problems are on a waiting list
Budget & Contracts

• Budget Allocation:
  • State budgets to Regions based on treatment need and population
  • Regional budgets to Circuits based on treatment need and population
• Total of 6 regions and 20 circuits
• At the circuit level, contracts negotiated with managing entities (ME) or local providers for services
• MEs are responsible for the administrative oversight of each subcontracted provider
Budget and Contracts

- Sec 394.9082 (6/2008) places responsibility for publicly funded behavioral services within a single private, nonprofit ME at the local level.

- As of July 2009, only a dozen counties had MEs.

- Most counties were in implementation phase.

- 13 or more counties, most of them in the central Florida region, were in planning phase.

- As a result, limited number of regional contracts with MEs, which subcontract with local providers.
Budget & Expenditures

- Budget ($000)
  - 2007-2008: $215,262
  - 2008-2009: $210,494
  - 2009-2010: $215,488
  - 2010-2011: $215,672

- State direct expenditures for prevention and treatment per person in need of treatment in 2009-2010:
  - Adults: $104 per year
  - Children/adolescents: $230 per year
Budget & Expenditures

- Total expenditures ($millions) by region in 2009-2010
  - Northwest: $15.6
  - Northeast: $28.9
  - Sun Coast: $43.0
  - Central: $43.7
  - Southeast: $29.3
  - Southern: $27.3
## Ranking of Regions

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Programs</th>
<th>Total Annual Economic Cost</th>
<th>Total Expenses by the State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
<td>1</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Northeast</td>
<td>5</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Northwest</td>
<td>3</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Suncoast</td>
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<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Southern</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Southeast</td>
<td>6</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>
Performance & Goals

• Multitude of performance measures, but none related to cost of treatment

• A single cost-related performance measure: administrative cost of the Executive Director as a percentage of total program costs

• Eliminate outdated cost centers

• Create new cost centers
Conclusion

• Need more information on state policies, objectives, and future projects when designing similar studies

• For decisions on regional/local budget allocation, it is important to have information on the number of programs as well as the types of treatment modalities by programs and regions