Full Service Partnerships: California’s Investment to Support Children and Transition-Age Youth with Serious Emotional Disturbance and Adults and Older Adults with Severe Mental Illness

Draft Executive Summary – for Stakeholder Input

UCLA Center for Healthier Children, Youth and Families

The following report was funded by the Mental Health Services Oversight and Accountability Commission

July 25, 2012
Executive Summary

Proposition 63 (2004) provides increased funding through the Mental Health Services Act (MHSA) to support mental health services and promote innovative services and best practices for individuals with mental illness and inadequate access to the traditional public mental health system. Prop 63 funds are distributed to county departments of mental health to implement MHSA components. The focus of this report is the Full Service Partnership (FSP), which is designed to serve Californians in all phases of life who experience the most severe mental health challenges because of illness or circumstance. This population has been historically underserved and has substantial opportunity for benefits from improved access and participation in quality mental health treatment and support. FSP programs are a large portion of the Community Services and Supports (CSS) funding allocation from MHSA. There is a requirement that most of the CSS budget be allocated to FSP, and that clients be served with "whatever it takes." The remaining portions of CSS (can be up to 49 percent of county MHSA budgets) are used to cover gaps in systems of care related to needs for supportive services, such as transportation or vocational training (which are typically unfunded), crisis intervention and treatment.

The focus of this report is twofold, and critically important.

- First, this report identifies the average statewide annual and per-day cost\(^1\) of providing FSP services to clients in California. The costs of FSP services are calculated in two categories: program services – which includes activities required under the Mental Health Services Act, as well as any evidence-based models and/or practices offered – and housing costs.\(^2\) While FSP clients may be represented in marginal additional costs (e.g., outreach) there is not a feasible way of parsing these expenditures, and impacts on cost estimates would be minor.

- Second, this report identifies the cost savings\(^3\) that society realizes because these services have been provided. Of course, these savings are not the sole justification of expenditures; the prime purpose of the law is to improve services to citizens with mental illness most in need of assistance. However, it is a primary purpose of accountable and transparent public service to demonstrate the impacts of this needed and individually tailored service on public concerns. Therefore, this analysis summarizes the savings that are incurred in a limited number of public services for the recipients of FSP services. To state this differently, this analysis assesses the costs to society with respect to health services that are incurred by persons facing severe mental health challenges and public costs incurred because of criminal justice system involvement attributable to these challenges.

It is important to note that this is a conservative analysis. Costs that are not clearly attributable to FSP clients have not been included, and cost savings estimates have been indexed to conservative estimates of cost. As is widely recognized, estimating the costs of savings attributable to service is complex – from both a cost estimate and a savings estimate point of view. At each step in these estimation processes, we have consciously adopted a conservative approach.

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1. Although the technically accurate term is expenditure based on the data sources analyzed, this term is cumbersome, and not user-friendly to the lay reader. Therefore, the term cost will be used in place of expenditure throughout this Executive Summary.
2. Housing is defined as housing support, operating support and housing placement. It does not include the Governor’s Housing Initiative. Housing support is the cost of housing subsidies for permanent, transitional and temporary housing; master leases; motel and other housing vouchers; rental security deposits; first- and last-month rental payments; and other fiscal housing supports. The operating costs of providing housing supports to clients includes building repair and maintenance, utilities, housing agency management fees, insurance, property taxes and assessments and credit reporting fees. Housing placement is assistance in securing housing, including supportive housing – permanent affordable housing with combined supports for independent living.
3. The terms cost savings and cost offsets are used interchangeably throughout the Executive Summary.
In order to include a county in the FSP Cost and Cost Offset Report, we needed Full Service Partnership costs broken out by age group. The only way to reliably and accurately obtain this information was to ask the counties directly. A web survey was launched in order to collect FSP Costs by Age Group. The majority of counties responded – 37 (63.8%). Their FSP Costs and Cost Offsets by Age Group are included in this draft report. The remaining counties have been given until August 3 to respond, and hopefully every county will be included in the final report.

Cost of FSP Services

FSP services are intensive to meet the needs of FSP-targeted clients. This is driven primarily by the policy objective to meet the serious needs of the hardest-to-serve clients – those with severe mental illness. This policy objective includes both meeting the service and quality-of-life needs of FSP clients and the social outcomes and services needs of California. To assess this complex balance of service objectives, this study has assessed a broad range of costs to citizens of California that are a consequence of service delivery to mental health clients most in need.

Per the MHSA Community Services and Supports Three-Year Program and Expenditure Plan requirements, “Each county must plan for each age group in their populations to be served.” (p. 13) Age groups are defined as follows:

- Children, Youth and Families (CYF): Birth to 18 years, and special-education pupils from birth to age 21 (p. 21)
- Transition-Age Youth (TAY): 16 to 25 years (p. 21)
- Adults: No specific age range is given
- Older Adults: 60 years and older (p. 21)

As previously noted, the majority of counties are included in this draft report (N = 37; 63.8%). The populations of counties (numbers of persons residing in the county, according to census data) represented in this report for Fiscal Year 2009-10 (FY 09-10) comprise the majority of the State of California (67.3%). The majority are also represented for Fiscal Year 2008-09 (66.9%).

Although a majority of counties are included in the findings displayed in this Executive Summary, these findings should be considered preliminary because data are currently being collected from the remaining 20 counties.

More specifically,

- Costs of service are program and housing costs for all clients in Fiscal Year 2008-09 (FY 08-09), and in FY 09-10 as discussed above. Separate tables are provided for each fiscal year. Age groups are displayed on separate rows within each table.

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4 Three counties and one municipality submitted their web survey too late for inclusion in this report draft, but will be analyzed in time for distribution for county review on 7/27, and for inclusion in the Final Report. The additional counties/municipality will bring the total number of participants to 41 (71%). Note that one county was in start-up during the entire study period, and was therefore removed from the total N for purpose of calculation. Therefore, the N = 58 (rather than 59).
5 The link to census data is: http://www.census.gov/popest/research/eval-estimates/eval-est2010.html
6 The link to the draft report is: http://www.dmh.ca.gov/dmhdocs/docs/letters05/05‐05CSS.pdf
7 Children and adolescents identified as seriously emotionally disturbed (SED) are eligible for FSPs if they meet the criteria set forth in Welfare and Institutions Code section 5600.3, subdivision (a). Adults and older adults identified to have a serious mental disorder are eligible for FSPs if they meet the criteria set forth in subdivision (b) of section 5600.3.
8 California’s Welfare and Institutions Code is posted in its entirety on the website cited above, absent page numbers. Click on the link and the section cited will appear on screen, verbatim, as quoted.
9 See footnote #4.
10 See Appendix D of the full Report for a list of county participants.
• FSP participants represented in Tables 1 through 4 are people who received FSP services during the fiscal year (FY 08-09 and/or FY 09-10). This includes FSP clients with:
  o Start date in the fiscal year and end date in the fiscal year
  o Start date before the fiscal year and end date in the fiscal year
  o Start date in the fiscal year and no end date (still enrolled)
  o Start date before the fiscal year and no end date (still enrolled)

The calculations shown in Tables 1 and 3 use annualized cost per FSP client year as a standard metric for service costs across counties. The calculation of annualized cost per FSP client involved the following steps:

• Identified all clients who were enrolled in FSP during the target fiscal year;
• Calculated the number of days that each was enrolled during the target fiscal year;
• Summed number of days enrolled across all enrollees;
• Divided by 365.

### Table 1. Full Service Partnership Services: Per-Person Annualized Cost per Client by Age Group (Fiscal Year 08-09)

<table>
<thead>
<tr>
<th></th>
<th>Number Served</th>
<th>Sum of Days</th>
<th>Number of Client Years</th>
<th>Annualized Cost per FSP Client</th>
<th>Daily Cost per FSP Client</th>
<th>FSP FY 08-09 Total Costs</th>
<th>% of Total FSP Costs in FY 08-09</th>
</tr>
</thead>
<tbody>
<tr>
<td>CYF</td>
<td>3,695</td>
<td>917,465</td>
<td>2,513.6</td>
<td>$19,754.15</td>
<td>$54.12</td>
<td>$49,654,022.82</td>
<td>18.6%</td>
</tr>
<tr>
<td>TAY</td>
<td>3,082</td>
<td>829,784</td>
<td>2,273.4</td>
<td>$20,213.68</td>
<td>$55.38</td>
<td>$45,953,770.49</td>
<td>17.3%</td>
</tr>
<tr>
<td>Adults</td>
<td>7,414</td>
<td>1,913,845</td>
<td>5,243.4</td>
<td>$28,289.04</td>
<td>$77.50</td>
<td>$148,330,743.06</td>
<td>55.7%</td>
</tr>
<tr>
<td>Older Adults</td>
<td>1,112</td>
<td>300,503</td>
<td>823.3</td>
<td>$27,158.00</td>
<td>$74.41</td>
<td>$22,359,184.69</td>
<td>8.4%</td>
</tr>
<tr>
<td>Total</td>
<td>15,303</td>
<td>3,961,597</td>
<td>10,853.7</td>
<td>$24,535.20</td>
<td>$61.58</td>
<td>$266,297,721.06</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Table 2, below, shows overall Full Service Partnership Program costs by age group for FY 08-09.

### Table 2. Full Service Partnership Services: Percent of Core Cost Components Devoted to FSPs, by Age Group (Fiscal Year 08-09)

<table>
<thead>
<tr>
<th></th>
<th>CYF</th>
<th>TAY</th>
<th>Adults</th>
<th>Older Adults</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>$1,640,181.44</td>
<td>$3,236,489.17</td>
<td>$18,882,856.29</td>
<td>$2,190,973.10</td>
</tr>
<tr>
<td>Percent</td>
<td>3.3%</td>
<td>7.0%</td>
<td>12.7%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Program Services</td>
<td>$48,013,841.38</td>
<td>$42,717,281.32</td>
<td>$129,447,886.77</td>
<td>$20,168,211.59</td>
</tr>
<tr>
<td>Percent</td>
<td>96.7%</td>
<td>93.0%</td>
<td>87.3%</td>
<td>90.0%</td>
</tr>
<tr>
<td>Total</td>
<td>$49,654,022.82</td>
<td>$45,953,770.49</td>
<td>$148,330,743.06</td>
<td>$22,359,184.69</td>
</tr>
<tr>
<td>Percent</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

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8 Calculation of FSP participants is complex and the methodology too detailed for inclusion in an Executive Summary. Please refer to Chapter III in the full Report for details.
9 We account for FSPs with multiple start and stop dates within the same fiscal year.
**Table 3. Full Service Partnership Services: Per-Person Annualized Cost per Client by Age Group (Fiscal Year 09-10)**

<table>
<thead>
<tr>
<th></th>
<th>Number Served</th>
<th>Sum of Days</th>
<th>Number of Client Years</th>
<th>Annualized Cost per FSP Client</th>
<th>Daily Cost per FSP Client</th>
<th>FSP FY 09-10 Total Costs</th>
<th>% of Total FSP Costs in FY 09-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>CYF</td>
<td>5,319</td>
<td>1,230,007</td>
<td>3,369.9</td>
<td>$17,837.80</td>
<td>$48.87</td>
<td>$60,111,608.41</td>
<td>17.5%</td>
</tr>
<tr>
<td>TAY</td>
<td>4,313</td>
<td>1,170,876</td>
<td>3,207.9</td>
<td>$16,229.03</td>
<td>$44.46</td>
<td>$52,061,115.33</td>
<td>15.1%</td>
</tr>
<tr>
<td>Adults</td>
<td>8,976</td>
<td>2,400,189</td>
<td>6,575.9</td>
<td>$31,345.83</td>
<td>$85.88</td>
<td>$206,127,054.54</td>
<td>60.0%</td>
</tr>
<tr>
<td>Older Adults</td>
<td>1,330</td>
<td>371,160</td>
<td>1,016.9</td>
<td>$24,952.82</td>
<td>$68.36</td>
<td>$25,374,517.21</td>
<td>7.4%</td>
</tr>
<tr>
<td>Total</td>
<td>19,938</td>
<td>5,172,232</td>
<td>14,170.6</td>
<td>$24,252.63</td>
<td>$61.54</td>
<td>$343,674,295.98</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Table 4, below, shows overall Full Service Partnership Program costs by age group for FY 09-10.

**Table 4. Full Service Partnership Services: Percent of Core Cost Components Devoted to FSPs, by Age Group (Fiscal Year 09-10)**

<table>
<thead>
<tr>
<th></th>
<th>CYF</th>
<th>TAY</th>
<th>Adults</th>
<th>Older Adults</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>Percent</td>
<td>Amount</td>
<td>Percent</td>
</tr>
<tr>
<td>Housing</td>
<td>$945,854.49</td>
<td>1.6%</td>
<td>$4,226,403.24</td>
<td>8.1%</td>
</tr>
<tr>
<td>Program Services</td>
<td>$59,165,753.92</td>
<td>98.4%</td>
<td>$47,834,712.09</td>
<td>91.9%</td>
</tr>
<tr>
<td>Total</td>
<td>$60,111,608.41</td>
<td>100.0%</td>
<td>$52,061,115.33</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

The age breakouts reveal that FSP services for adults comprise the majority of expenditures in both fiscal years. Although this revelation is not earth-shattering in and of itself, what is interesting is the comparison of the percentage of numbers served, sum of days and percent of total FSP costs among the age groups. The comparison is illustrated most clearly in the following bar charts:

**Exhibit I. Age Breakout Cost Comparisons: Percentages (Fiscal Year 08-09 – All FSPs receiving Service in FY 08-09)**

[Bar chart showing the comparison of numbers served, sum of days, and percentage of total costs for CYF, TAY, Adults, and Older Adults]
In both fiscal years, older adults are represented nearly equally in terms of:

- percentage of overall FSP participants,
- percentage of overall number of days, and
- proportion (percentage) of overall FSP dollars spent.

They are the only age group that exhibits this characteristic. Adults, as previously noted, represent the group on which the majority of FSP funds are spent. However, they represent only a plurality in terms of percentage of overall FSP participants and percentage of overall number of days. The argument may be advanced that the serious needs of adults with mental illness require greater investment of resources, but the same argument could also be put forward on behalf of older adults. Further investigation is needed in order to better understand this pattern.\(^\text{10}\)

Children, Youth and Families and Transition-Age Youth display the opposite pattern – the amounts expended on these two groups as a percentage of the overall total is less than their numbers and days of service (as represented proportionately). This expenditure pattern may be indicative of the early intervention nature of FSP services with these age groups.

**Cost Offsets of Full Service Partnership Services**

Tables 5 and 6 represent costs of service and costs saved as a result of service for Fiscal Year (FY) 08-09 (Table 5) and FY 09-10 (Table 6) new enrollees in FSP. Cost-offset analysis is limited to new enrollees for the following reasons:

- The baseline intake assessment (documented on the Partnership Assessment Form) contains questions about service use in offset areas of interest in the 12 months prior to FSP enrollment.
- The post-FSP period, therefore, should be equivalent to the pre-intake period (no more than 12 months), in order to compare the proverbial “apples to apples.”

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\(^{10}\) See Chapter V, Next Steps, in the full Report for hypotheses we are currently testing related to implementation of evidence-based practices and potential impact on cost.
• Given that the two fiscal years of focus are 08-09 and 09-10, the logical groups for inclusion in analyses were new enrollees in FY 08-09 and new enrollees in FY 09-10.
• Cost offsets are calculated for each individual FSP (e.g., number of inpatient psychiatric hospitalization days in the 12 months prior to FSP and the 12 months post-FSP enrollment). Therefore, an individual FSP client can be analyzed in only one fiscal year – the one in which he or she was a new enrollee.
  o For example, Client A enrolled in FY 08-09 in FSP and is still receiving FSP services today. He or she appears only in the FY 08-09 analysis database (not in the FY 09-10 database), because FY 08-09 is the year in which s/he enrolled in the Full Service Partnership. ¹¹

More specifically,

• Costs of service are program and housing costs for new clients in FY 08-09 as discussed above; and
• Cost offsets are the total differential between the cost of mental and physical health services, and incarceration costs, in the year prior to entry into FSP services for clients first entering in FY 08-09 and the average 12-month cost after entry into services. This is the amount of public money in these areas that was saved because these clients had access to service.

**Table 5. Total Full Service Partnership Services – Costs & Cost Offsets** *(Fiscal Year 08-09 New Enrollees ONLY)*

<table>
<thead>
<tr>
<th></th>
<th>Number of New FY 08-09 Enrollees Served</th>
<th>Sum of Days Enrolled as an FSP</th>
<th>FY 08-09 Costs</th>
<th>Total FY 08-09 Cost Offset</th>
<th>Percent of Offset Applied to Age Group FSP Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>CYF</td>
<td>1,542</td>
<td>251,933</td>
<td>$13,634,613.96</td>
<td>$1,704,732.67</td>
<td>12.5%</td>
</tr>
<tr>
<td>TAY</td>
<td>1,336</td>
<td>218,848</td>
<td>$12,119,802.24</td>
<td>$11,049,064.62</td>
<td>91.2%</td>
</tr>
<tr>
<td>Adults</td>
<td>2,777</td>
<td>464,694</td>
<td>$36,013,785.00</td>
<td>$18,012,801.49</td>
<td>50.0%</td>
</tr>
<tr>
<td>Older Adults</td>
<td>360</td>
<td>58,548</td>
<td>$4,356,556.68</td>
<td>$3,161,937.96</td>
<td>72.6%</td>
</tr>
<tr>
<td>Total</td>
<td>6,015</td>
<td>994,023</td>
<td>$66,124,757.88</td>
<td>$35,507,298.58</td>
<td>53.7%</td>
</tr>
</tbody>
</table>

Table 6 displays comparable results for new enrollees in FY 09-10:

**Table 6. Total Full Service Partnership Services – Costs & Cost Offsets** *(Fiscal Year 09-10 New Enrollees ONLY)*

<table>
<thead>
<tr>
<th></th>
<th>Number of New FY 09-10 Enrollees Served</th>
<th>Sum of Days Enrolled as an FSP</th>
<th>FY 09-10 Costs</th>
<th>Total FY 09-10 Cost Offset</th>
<th>Percent of Offset Applied to Age Group FSP Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>CYF</td>
<td>2,457</td>
<td>364,055</td>
<td>$17,791,367.85</td>
<td>$1,016,227.16</td>
<td>5.7%</td>
</tr>
<tr>
<td>TAY</td>
<td>1,733</td>
<td>274,046</td>
<td>$12,184,085.16</td>
<td>$14,119,697.88</td>
<td>115.9%</td>
</tr>
<tr>
<td>Adults</td>
<td>2,669</td>
<td>428,572</td>
<td>$36,805,763.36</td>
<td>$29,769,824.06</td>
<td>80.9%</td>
</tr>
<tr>
<td>Older Adults</td>
<td>358</td>
<td>56,597</td>
<td>$3,868,970.92</td>
<td>$1,604,554.93</td>
<td>41.5%</td>
</tr>
<tr>
<td>Total</td>
<td>7,217</td>
<td>1,123,270</td>
<td>$70,650,187.29</td>
<td>$49,395,283.23</td>
<td>69.9%</td>
</tr>
</tbody>
</table>

These findings support several important conclusions:

¹¹ For more details on methods related to the cost-offset study, see Chapter IV in the full Report.
• Even when assessing a restricted set of societal costs for these clients (e.g., mental and physical health, and incarceration) the cost savings to society are clear. These savings are greatest among the TAY age group, in which the measured costs are most salient. Costs for Youth are more clearly preventative and are not so clearly represented in the cost savings, cost components and time spans represented in this analysis. Similarly, cost savings for Older Adults may reflect increased cost protections (e.g., Medicare) in this age group.

• Cost savings over the two-year period are consistent in relative magnitude across age groups. In particular, TAY consumers experienced the greatest cost-related benefits of service. Transition-Age Youth are at high risk for criminal justice and crisis management services, and FSP participation apparently has a significant impact on consequences for this age group.

• Cost offsets are dramatically lower for the CYF age group. This may reflect the more preventive orientation of services for children, which is not as clearly reflected in the short time line of the measured offsets. Effects of service are sensitive to life maturation, indicators of service success and the time horizon of measured effects. Given these parameters, the FSP program shows strong effects for those age groups for which age parameters and potential outcome parameters are most appropriate.

In summary, this analysis of cost offsets in larger social costs attributable to participation in the FSP program documents positive results. Results for the TAY and Adult age groups, where the great majority of clients reside, are particularly positive. This reflects the greater risk for hospitalization and incarceration that exists in these age groups. Overall, these results suggest a very positive treatment outcome, and return on investment, for FSP clients.

Table 7 illustrates cost offsets by age and offset category for new Full Service Partnership enrollees in Fiscal Year 08-09.

Table 7. Full Service Partnership Cost Offsets by Age & Offset Category (Fiscal Year 08-09 New Enrollees ONLY)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Psychiatric</th>
<th>Physical Health</th>
<th>Incarceration</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount of Offset</td>
<td>% of Total Offset for Age Group</td>
<td>Amount of Offset</td>
<td>% of Total Offset for Age Group</td>
</tr>
<tr>
<td>CYF</td>
<td>$448,841.58</td>
<td>26.3%</td>
<td>$749,431.55</td>
<td>44.0%</td>
</tr>
<tr>
<td>TAY</td>
<td>$5,559,062.96</td>
<td>50.3%</td>
<td>$1,054,102.59</td>
<td>9.5%</td>
</tr>
<tr>
<td>Adults</td>
<td>$14,030,839.68</td>
<td>77.9%</td>
<td>(-$183,730.74)</td>
<td>-1.0%</td>
</tr>
<tr>
<td>Older Adults</td>
<td>$2,019,354.70</td>
<td>63.9%</td>
<td>$866,481.83</td>
<td>27.4%</td>
</tr>
<tr>
<td>Total</td>
<td>$22,058,098.92</td>
<td>62.1%</td>
<td>$2,486,285.23</td>
<td>7.0%</td>
</tr>
</tbody>
</table>
Table 8. Full Service Partnership Cost Offsets by Age & Offset Category  
(Fiscal Year 09-10 New Enrollees ONLY)  

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Psychiatric</th>
<th>Physical Health</th>
<th>Incarceration</th>
<th>Total</th>
<th>% of Total Offset across Age Groups</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount of Offset</td>
<td>% of Total Offset for Age Group</td>
<td>Amount of Offset</td>
<td>% of Total Offset for Age Group</td>
<td>Amount of Offset</td>
</tr>
<tr>
<td>CYF</td>
<td>$698,234.88</td>
<td>68.7%</td>
<td>-($557,027.28)</td>
<td>-54.8%</td>
<td>$875,019.56</td>
</tr>
<tr>
<td>TAY</td>
<td>$5,476,779.84</td>
<td>38.8%</td>
<td>$3,033,519.08</td>
<td>21.5%</td>
<td>$5,609,398.96</td>
</tr>
<tr>
<td>Adults</td>
<td>$20,009,702.44</td>
<td>67.2%</td>
<td>$6,066,677.59</td>
<td>20.2%</td>
<td>$3,753,444.03</td>
</tr>
<tr>
<td>Older Adults</td>
<td>$2,091,068.00</td>
<td>130.3%</td>
<td>-($597,093.47)</td>
<td>-37.2%</td>
<td>$110,580.40</td>
</tr>
<tr>
<td>Total</td>
<td>$28,275,785.16</td>
<td>57.2%</td>
<td>$7,886,075.92</td>
<td>16.0%</td>
<td>$10,348,442.95</td>
</tr>
</tbody>
</table>

Findings as displayed in Tables 7 and 8 support the following conclusions:

- For Adults and Older Adults, the greatest proportion of offsets each fiscal year is accounted for by inpatient psychiatric hospitalization.
- Physical health (inpatient hospitalization – acute and skilled nursing – non-psychiatric) offsets more than doubled as a percentage of overall offsets – from seven percent in FY 08-09 to 16 percent in FY 09-10. This results from savings for Adults and TAY.
- Unlike FY 08-09 results, in which a plurality of CYF showed the greatest proportion of offsets in this area, CYF do not show offsets in the area of physical health in FY 09-10. Further exploration is needed to determine why there is a difference between the two fiscal years.
- Among Older Adults, over a quarter of offsets in FY 08-09 were attributable to savings in physical health. No cost offsets, however, were observed for this group of Older Adults in FY 09-10. Further exploration is needed to determine why there is a difference between the two fiscal years.
- Unlike FY 08-09, in which nearly a third of CYF offsets were attributable to savings in number of days incarcerated, most of the savings in FY 09-10 were in this area. Incarceration savings for TAY were nearly identical between the two fiscal years.

Percentage of overall offset represented by each age group (new enrollees only) is compared to their proportion in terms of overall numbers served, days of service, and costs (Exhibits 3 and 4).
Findings as illustrated in Exhibits 3 and 4 support the following conclusions:

- As was the case in FY 08-09, offsets for TAY in FY 09-10 are in far greater proportion to their numbers, days of service and costs when compared with other age groups’ offsets.
- The proportion of offsets for Older Adults declines in FY 09-10, whereas in FY 08-09, the percentage of cost offsets was on par with their numbers, days of service and the percent expended.
- As was exhibited in FY 08-09, Adults in FY 09-10 represent the age group on whom the greatest amount is spent, and as a proportion of overall offsets by age group, they also represent the greatest amount in terms of savings. In FY 09-10, offsets for Adults exceeds cost of service for new enrollees.
Savings for Children, Youth and Families as a whole represented only five percent in FY 08-09 and less than three percent of cost offsets in FY 09-10. However, this is in keeping with the focus on investing in the population to prevent later, more severe mental health problems.

Exhibits 5 through 8 illustrate the proportion of offset in each area for the age groups. The two fiscal years are combined in the pie charts. 12

Exhibit 5. Full Service Partnership % of Cost Offsets w/in CYF Age Group
(FY 08-09 & FY 09-10 New Enrollees ONLY)

- Psychiatric: $1,381,479.10 (51%)
- Physical Health: $1,147,076.46 (42%)
- Incarceration: $192,404.27 (7%)

Exhibit 6. Full Service Partnership % of Cost Offsets w/in TAY Age Group
(FY 08-09 & FY 09-10 New Enrollees ONLY)

- Psychiatric: $11,035,842.80 (44%)
- Physical Health: $4,087,621.67 (16%)
- Incarceration: $10,045,298.03 (40%)

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12 As shown in Tables 7 and 8, some of the offset areas are in arrears (negative balance), and a pie chart cannot be created with a “negative slice.” However, a negative balance in any one offset area only appears in one fiscal year for any given age group. Thus, when the fiscal years are combined, a pie chart can be created.
The most consistent finding among the age groups is psychiatric offsets accounting for the majority of savings. Incarceration represents the next area of savings for TAY, Adults and Older Adults.

**Stakeholder Feedback Process**

The Request for Proposal for the Expanded Statewide Evaluation of the Mental Health Services Act specifies:

For Deliverable 1 – Full Service Partnerships, establish and maintain stakeholder engagement in the evaluation that is representative of a wide scope of expertise, including:

- A process for input from individuals living with mental illness, family members/personal caregivers and representatives of culturally diverse unserved and underserved groups of all ages, and
• A process for input from researchers, data analysts and programmers who are responsible for local data evaluation efforts.

Our stakeholder engagement process involved seven key strategies:

1. Presentations to client and family groups/organizations representing unserved/underserved groups
2. Key stakeholder interviews with individuals representing client/family groups and organizations representing unserved/underserved groups
3. Presentations to associations/service provider organizations
4. Key stakeholder interviews with individuals representing associations/service provider organizations
5. Formation of an Evaluation Advisory Group
6. Key stakeholder interviews with peer advocates and parent partners
7. (ongoing) Product review/feedback: Stakeholder input will be sought for two key deliverables:
   - This executive summary and the accompanying draft report
   - County-specific tables depicting FSP costs and cost offsets

This report will be released publicly at the Mental Health Services Oversight and Accountability Commission meeting on July 26, 2012. Stakeholders may submit comments in writing via e-mail to:

eharris@emt.org

Feedback must be submitted no later than August 26, in order to allow EMT sufficient time for revision to the Final Report due September 30, 2012.

As noted previously, the majority of counties are included in this report (N = 37; 63.8%). The populations of counties defined as persons residing in the county, documented through census data) represented in this report for Fiscal Year 09-10 comprise the majority of the State of California (67.3%). The majority are also represented for Fiscal Year 08-09 (66.9%).

County-specific matrices that replicate the tables in this report will be distributed to participating counties on July 27, 2012. Counties have a 30-day review and comment period. Feedback is due to EMT Associates no later than August 27, 2012. The deadline has been set in order to provide EMT with sufficient time to a) make necessary revisions and b) conduct cross-county analyses for the Final Report, due September 30, 2012.

However, an opportunity was provided to the remaining 20 counties/municipalities to complete the web survey, by July 13. The remaining counties have been given until August 3 to respond, and hopefully every county will be included in the final report.

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13 The data contained in the county-specific tables form the basis for creation of the statewide data set, summarized and reported here.
14 Phase III. Deliverable 1.C. Initial written report that specifies the financial impact of outcomes achieved in comparison with expenditures for FSPs for each of the four age groups.
15 Three counties and one municipality submitted their web survey too late for inclusion in this report draft, but will be analyzed in time for distribution for county review on 7/27/12, and for inclusion in the Final Report. The additional counties/municipality will bring the total number of participants to 41 (71%). Note that one county was in start-up during the entire study period, and was consequently removed from the total N for purpose of calculation. Therefore, the N = 58 (rather than 59).
16 See Appendix D in the full Report for a list of county participants. Population data were extracted by county and for the State, for 2008 (corresponding to FY 08-09) and 2009 (corresponding to FY 09-10), from census data:
Counties with complete web survey data will be analyzed and provided with a county-specific matrix, following the procedures described in the paragraph above. Input from the counties through the web survey is essential in determining the breakout of Full Service Partnership expenditures by age group due to limitations in the Revenue and Expenditure Report data. In particular, the Revenue and Expenditure Reports\textsuperscript{18} were not designed with the requirement that expenditures be reported by age group:

- Children, Youth and Families
- Transition-Age Youth
- Adults
- Older Adults

The report delivered to the MHSOAC on September 30, 2012, will be the Final Report.

A compendium of feedback submitted and the disposition of each stakeholder’s comments will be contained in an appendix in the Final Report.

The revision to this report will include the following additional offset areas:

- Long-Term Care (number of days), \textsuperscript{19}
- Skilled Nursing (Psychiatric) (number of days),
- Emergency Room Use (number of visits), and
- Arrests (number of)

The Final Report will include FSP costs for additional counties. The exact, final number of participating counties therefore cannot be determined at this time. Absent FSP cost by age group data, cost offsets cannot be calculated. We are therefore working diligently with the California Mental Health Directors Association to encourage participation in the web survey by the remaining 20 counties, in order to reach a participation rate of 75 percent (N = 44). \textsuperscript{20}

In summary, the Final Report will incorporate data from additional counties\textsuperscript{21} in order to develop revised:

- Statewide and County Full Service Partnership Cost by Age Group
  - Children, Youth and Families
  - Transition-Age Youth
  - Adults
  - Older Adults
- Statewide and County\textsuperscript{22} Full Service Partnership Cost Offsets by Age Group, in the following areas:

\textsuperscript{18} In addition, not all counties maintain consistent naming of programs between the Revenue and Expenditure Reports, Plans and Updates. Hence, although Plans require breakout budgets by age group, tracking the budgeted amounts to actual expenditures was not possible. See the Full Report for the methodology developed, in partnership with our Evaluation Advisory Group, in order to address this issue.

\textsuperscript{19} Institution for Mental Diseases facilities/Mental Health Rehabilitation Centers. Key Event Tracking data do not distinguish between the two. Therefore, an average between the IMD and MHRC rate for the facilities contracted by each county was used as the basis for calculating the cost applied to the number of days in long-term care.

\textsuperscript{20} Participation in the web survey, at the time of this report writing, stands at 41. Only three (3) more counties are needed to reach our goal.

\textsuperscript{21} We cannot guarantee calculation of FSP cost by age group for any county that does not participate in the web survey, for the reasons outlined in the report Chapter III (limitations of the Revenue and Expenditure Report data, which prompted primary data collection from counties through a web survey in order to determine proportion of expenditures devoted to each age group).

\textsuperscript{22} Cost Offsets can be developed only for counties that submit data to the State Department of Mental Health’s Full Service Partnership (FSP) Data Collection and Reporting System (DCR). All of the variables used in the FSP Cost Offset analysis are contained in the DCR. EMT does not have access to non-DCR data from counties.
**Psychiatric**
- Inpatient Psychiatric Hospitalization (number of days)
- Long-Term Care (number of days)
- Skilled Nursing (Psychiatric) (number of days)

**Non-Psychiatric**
- Skilled Nursing (Non-Psychiatric) (number of days)
- Acute Inpatient Hospitalization (number of days)
- Emergency Room Use (number of times)\(^\text{23}\)

**Incarceration**
- Arrests (number of times)
- Jail (number of days)
- Prison (number of days)
- Division of Juvenile Justice (number of days)
- Juvenile Hall/Camp (number of days)

The Final Report will also include a detailed description of the services and activities planned under the Full Service Partnership program. Tables will be presented throughout the report to summarize the wealth of strategies and activities planned in each county, along with a statewide summary.

All counties were provided the opportunity to review the FSP Service Description developed and to submit documentary evidence for consideration (see the Full Report, Chapter II, for a discussion of methods). EMT is in the process of review and revision based on the number of documents submitted by counties. The Final Report will include:

- FSP Service Description results in report (descriptive narrative), and
- The use of FSP Service Description in analyses to determine impact of services on cost and offsets.

Finally, a number of ancillary topics bear consideration and will be addressed in the Final Report. These topics include:

- FSP costs by funding source, for FY 08-09 and FY 09-10,\(^\text{24}\)
- Discussion of web survey results and lessons learned about FSP costs, and
- Review of start-up costs.

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\(^{23}\) The cost of an emergency room visit in each county is currently being calculated by OSHPD, and will be available in time for inclusion in the Final Report, due September 30, 2012.

\(^{24}\) It is not possible for counties to break out expenditures by funding source by age group.