



## WHY INVEST IN DESIGNATED and SPECIALIZED SERVICE AGENCIES?

### COMMUNITY-BASED CARE IMPROVES LIVES and SAVES MONEY

*Act 82 and Act 85 gave designated and specialized service agencies an important boost toward improving crisis interventions and in strengthening our workforce – the impact is significant*

#### ***Diverting Unnecessary Use of Hospital Emergency Departments***

- Over 75% (18,520) of crisis assessments in FY17 provided by Emergency Services teams occurred in community settings outside of hospital emergency departments (EDs)
- Even if only 30% of those assessments were done in hospitals, **it would have cost Medicaid an additional \$7.9 million**

#### ***Preventing Unnecessary Hospital and Institutional Care***

- 62% of the services in FY17 focused on addressing the **social determinants of health** and helped prevent crises
- **Crisis bed utilization has increased to 79% from 66%** a year earlier
- 13,000 bed days were used in mental health crisis programs in FY17 at half of the cost of hospital care. If half of those bed days were spent in hospitals **the additional cost would be \$34 million**
- If Vermont lacked our robust community-based designated agency system and hospitalization rates aligned with the national average, **it would cost an additional \$23.3 million to meet inpatient bed demand at a community hospital and \$49.9 million at a state hospital**
- The Vermont Crisis Intervention Network in FY16 provided 599 bed days for people with developmental disabilities (DD) at a cost of \$195,000, **creating a savings of \$644,000 over the cost of hospital inpatient stays**, as well as avoiding ED interventions
- Community-based services for people with DD **saves nearly \$200,000 per person** compared to institutions

**Community-Based Care: High Quality and Cost Effective for Vermont**



### ***Stabilizing the Workforce:***

Act 82 and Act 85 enabled all designated & specialized services agencies to implement \$14 minimum wage and increase wages for crisis staff with the \$8.37 million/2% funding increase

- FY17 staff turnover rate decreased from 26.3% to 23.8% with the promise of new funding – the full impact is still unknown at this point in time
- 2,000 staff received pay raises and now earn a minimum of \$28,000 per year
- Raising the minimum wage to \$15 per hour and addressing the compression of other staff would require an additional \$10.3 million in total funds
- As a percentage, the pay differentials between DA staff and staff with similar credentials in state government vary from 22% to 37% - with average pay gaps ranging from \$12,830 to \$21,344 annually
- Raising the DA/SSA direct care workers compensation up to the level of state employee compensation would require an investment of over \$61 million
- The most strategic approach is for each agency to target compensation increases to meet its unique recruitment and retention requirements

### ***Addressing Gaps in the Mental Health System:***

Agencies are collaborating on new models of care coordination to decrease hospital utilization and reduce long waits in emergency departments by:

- Teaming with local hospitals to create Integrated Health Homes
- Delivering embedded mental health services in emergency departments
- Expanding Street Outreach programs to reduce ED use
- Partnering with OneCare on care coordination for people with high utilization
- Teaming with the State and hospitals on community placements for long stay patients

### ***Meeting the Needs of the Growing Developmental Disability Population***

Annual funding for the increasing caseload is essential

- Birth to Death people live longer with disabilities than they did in the past
- Autism, co-occurring disorders and disabilities have become more prevalent
- People with developmental disabilities often develop dementia at earlier ages

**Community-Based Care: High Quality and Cost Effective for Vermont**