

You Receive Federal Funding... **WHY SHOULD WE SUPPORT YOU?**

DIVERSIFYING REVENUE STREAMS
DETERMINING COSTS AND VALUE
TELLING YOUR STORY

Pre-Conference Institute
National Health Care for the Homeless Council Annual Meeting
Portland, OR
May 31, 2016

WELCOME AND INTRODUCTIONS

MAUREEN NEAL, CFRE

HELENA DELIGT, LCSW

DONALD SHEPARD, PHD

CAITLIN FELLER, MPP, PCMH CCE

You want me to do what? Fear of the F-Word

WHAT IS MY ROLE?

- Ambassador
- Consultant
- Relationship-builder
- Sponsor
- Leader/Innovator

Key Areas Affecting Success

- Effective Strategic/Long Range Plan
- Clear Vision and Mission
- Strong Case for Support
- Image, Visibility, and Awareness
- Development Infrastructure
- Strong Leadership

Diversifying Revenue Sources

- Direct mail
- Online giving
- Telemarketing
- Program underwriting
- Social entrepreneurship/product sales
- Fees for services
- Contracts, MOAs
- Planned giving/Honorariums/Memorials
- Special events or campaigns

Integrated fund development program

Private Sources of Income

- Foundation Grants
- Corporate Appeals
- Church/Civic Groups
- Individuals
- Planned Giving

DEVELOPMENT AS A PROCESS

(AND A QUALITY MEASURE)

- **IDENTIFICATION**
- **CULTIVATION**
- **SOLICITATION**
- **STEWARDSHIP**

IDENTIFYING RESOURCES

- Research—individuals, corporations, foundations
- Become ambassadors! Everyone is an ambassador
- Invite friends, associates to special events
- Get to know your community partners and their partners (health systems, etc.)
- Host “Rolodex” parties with board members
- Staff provide names for e-mail and direct mail
- Vendors

CULTIVATION

- Building relationships with prospects—visit with an individual, a corporate or foundation executive
- Generating interest in the organization by telling prospects about the organization’s vision, programs, finances, projects, etc. including the media (as appropriate)
- Get prospects connected to the organization—offer volunteer opportunities

CULTIVATION continued

- Host a group of donors or prospects for a tour/facilities site visit/lunch and learn
- Make personal contacts with prospect
- Share the history/share consumer personal success stories/enthusiasm for the mission

SOLITICITATION

- Share vision and mission
- Presenting the organization's case statement
- Participating in an one-on-one ask
- Partnering to tell the story and make the ask
- Sending direct mail pieces/personal notes
- Making follow-up phone calls
- Hosting benefits or other special events

STEWARDSHIP

- Thanking donors and letting them know the difference their contribution made
- Maintaining donor relationships by sending thank you letters/notes; making phone calls; hosting donor recognition opportunities; invitations
- Attend events and interact with major donors
- Assuring the donor's expectations are fulfilled-- always spend \$\$ in the way the donor directed!
- Keeping donors connected to the organization

Collaborations-Partnerships

Importance of being a community partner- even if there's no apparent \$

What do you have to offer?

Mission first- opportunities and money usually follow

As Health Care for the Homeless grantees, or look-alikes, we have a compendium of valuable services, often under one roof!

- Primary Care
- Behavioral Health - both MH and SA
- Case Management
- Oral Health
- Pharmacists' Support
- Outreach
- Health Education
- Specialty Care - vision, podiatry, etc.

Within each area, potential source for diversification

Positioning your organization

Having a seat at the table

Being at the front end of creating new projects- involved in many initiatives- plus funding

- Through these relationships, built stronger and deeper relationships that offer funding opportunities- DHCD, UW
- Partnering with Supportive Housing Programs
- Participating in Coordinated Entry Process

Continuum of Care

Broad group of stakeholders coming together to end homelessness through community-wide goals

- Required by US Housing & Urban Development (HUD) in order to receive funding targeted for homeless services
- Established in 1995
- Promote access to and effective use of mainstream programs by homeless individuals and families

Opening Doors

federal plan to end homelessness

- US Interagency Council on Homelessness (USICH) includes representatives from 19 federal agencies
- Currently chaired by Secretary Perez of Labor
- Released in 2010; updated in 2015
- Emphasis on partnership & collaboration

Collaboration with Health Systems

Partnering with local health systems- especially mission focused

- Coordinate care
- Indigent care partnerships
- ED diversion
- Education site- proctorships, residencies, etc.
- Contract for medical respite beds

Other Community Partnerships

- ▶ Partner with local community behavioral health centers
 - ▶ Partner to provide medical care at BH site
 - ▶ Contract to provide overflow from their BH center to your health center site
 - ▶ Contract for medical respite beds
- ▶ Veterans Administration
 - ▶ GPD/contractual relationships
 - ▶ Veteran's Choice

How It All Comes Together

Position your organization to take advantage of local, regional and statewide collaborative projects and grants

- CMS- Medicaid/Medicare waiver and demonstration projects
- Federal collaborative grants - usually requires partnerships
- State and local grants
- Healthcare & Housing (H2) Systems Integration Initiative

Bring Your “A” Game—the Attitude

How you approach the table is as important as what you say (Preaching to the choir?)

- Mutual respect
- Openness to try new ideas
- Visioning the potential- weigh against reality (e.g., is this a good fit for my organization?)

PLAYING NICELY IN THE SAND BOX

- PHQ-9 LEARNING COLLABORATIVE (SAMHSA AND NATIONAL COUNCIL OF COMMUNITY BEHAVIORAL HEALTH)
- NIATx/NACHC INTEGRATION COLLABORATIVE (SBIRT)
- TRAUMA-INFORMED CARE (SAMHSA)
- NATIONAL PARTNERSHIP FOR THE HEALTH SAFETY NET (NACHC, GWU, AEH, AND FOUR FQHCs)
- TECHNICAL ASSISTANCE FROM HCH COUNCIL ON COST REPORTING TOOL

Homeless Services Costing Tool

Donald S Shepard, PhD

shepard@brandeis.edu

Health Care and Housing are Human Rights

NATIONAL
HEALTH CARE
for the
HOMELESS
COUNCIL

Learning Objectives

- ▶ Calculate cost per unduplicated client and to interpret the findings using the costing tool.
- ▶ Calculate cost per key service output and to interpret the findings using the costing tool.
- ▶ Explain the key components of a cost-benefit analysis.

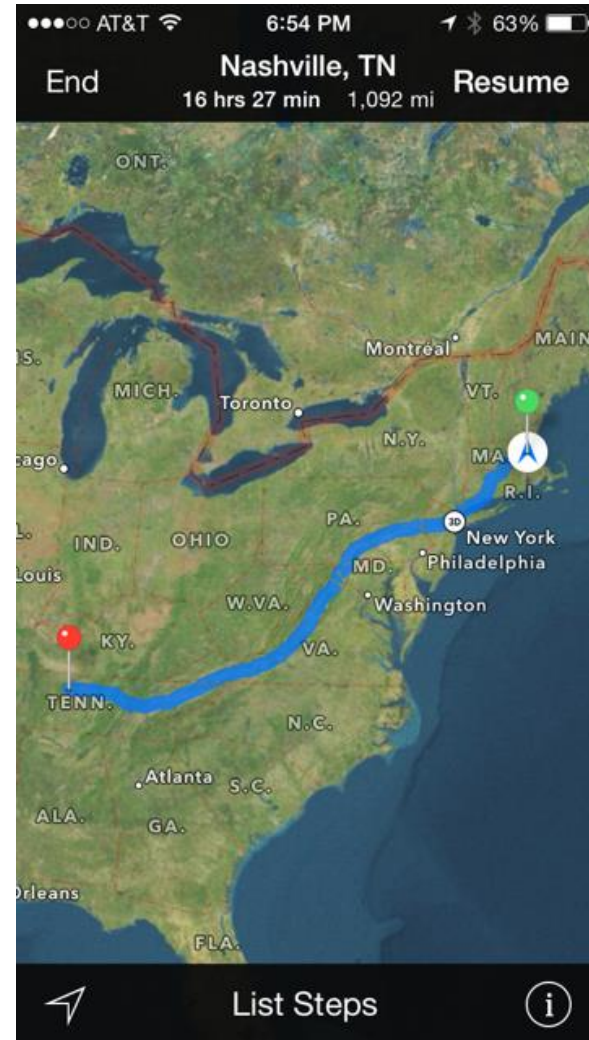
Cost Analysis Tools for Homeless Service Programs

- Original funding from SAMHSA
- Excel-based
- Contains three tools:
 - Costing tool (e.g. cost per client for a given service)
 - Cost offsets calculator for supportive housing programs
 - Cost offsets calculator for case management services



Analogy to a familiar tool: GPS

- Internal information: starting location
- External information: road network



Homeless services costing tool

- ▶ Explanation via a hypothetical case management program...



Homelessness Program Economic Evaluation Guide39.xls

Home Layout Tables Charts SmartArt Formulas Data Review


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1

2 **Homeless Program Economic Evaluation**

3 

4 **Table of Contents for Tools**

5 **HOMELESSNESS RESOURCE CENTER**

6

No.	Chapter	Page	Tab	Completion status
1	Context	Background	Bkgd	Informational
		Basics	Basics	✔ Please fill in
2	Inputs	Line item cost allocation	Line	Not started
3	Outputs	Understanding outputs & outcomes	Out	Informational
		Outputs measurement	Outp	✔ Not Started
4	Calculations	Cost offsets description	Off	Informational
		Cost offsets for supportive housing	OffSH	Informational
		Cost offsets for case management	OffCM	Informational
		Results summary	Results	✔ Not complete
5	Supplements	Glossary of terms	Gloss	Informational
		Examples	Ex	Informational
		Acknowledgments	Ack	Informational
		References	Ref	Informational
		Extensions	Exten	Informational
6	Appendices	Capital costs	Cap	Optional
		Outcomes measurement	Outc	Optional
		Statistical corrections	Stat	Informational
		Cost adjustments for region & time	Region	Optional
		Cost per outcome results	CostOut	Informational

7 TOC Bkgd Basics Line Out Outp Off OffSH OffCM Results Gloss

8 Normal View Ready

9 Sum



Drop-down menu for type of program

The screenshot shows a Microsoft Excel spreadsheet titled "Homelessness Program Economic Evaluation Guide39-Example2 [Compatibility Mode] - Microsoft Excel". The spreadsheet contains a form for program evaluation. The form is organized into rows and columns. Row 1 contains navigation links: "Back to TOC", "Glossary look-up", and "Continue to Line Item entry". Row 3 is the title "Basic Introduction to the Tool". Row 4 contains introductory text. Row 5 is the label "Name of program being evaluated:" with the value "Better Life Center" in the adjacent cell. Row 6 is the label "Type of Program" with the instruction "(Click to select type of program from list)" and a dropdown menu. The dropdown menu is open, showing a list of program types: "Case management", "Supportive housing", "Emergency shelter", "Transitional housing", "Meals program", "Drop-in center", "Outreach", and "Health care for homeless". Row 7 is the label "Using data from fiscal year:*" and Row 8 is the label "My region and urban/rural status:*". Row 9 contains a note about entering a valid year. At the bottom, there is a footer with a note about default values for fiscal year and region. The spreadsheet has a tab bar at the bottom with tabs for "TOC", "Bkgd", "Basics", "Line", "Out", "Outp", "Off", "OffSH", "OffCM", "Results", "Gloss", "Ex", "Ack", "Ref", "Exten", "Cap", "Outc", "Stat", "Region", and "CostOut". The Windows taskbar is visible at the bottom, showing the system tray with the date and time "6:41 PM".

Homelessness Program Economic Evaluation Guide39-Example2 [Compatibility Mode] - Microsoft Excel

File Home Insert Page Layout Formulas Data Review View Add-Ins Nuance PDF PamFax Nuance OCR Acrobat XL Toolbox

F6 Case management

1 [Back to TOC](#) [Glossary look-up](#) [Continue to Line Item entry](#)

2

3 **Basic Introduction to the Tool**

4 To begin, please enter the name and type of the program you wish to evaluate, followed by the year or fiscal year from which the data have been taken. Finally, add the region in which your program operates. These four items are required for the rest of the program to function correctly. Continue reading below for additional instructions and suggestions.

5 **Name of program being evaluated:** Better Life Center

6 **Type of Program**
(Click to select type of program from list) Case management

7 **Using data from fiscal year:***

8 **My region and urban/rural status:***

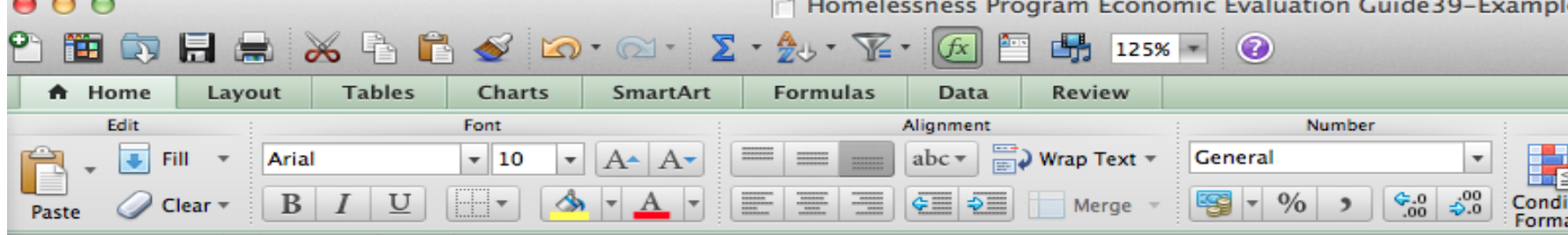
9 Note: If you enter a valid year, like 2007, in the year field, you must also enter the region. Click on 'Tools', 'Options', and then click the 'Edit' tab. If the 'Fixed decimals' option is checked, turn it off by clicking on the checkmark. If this does not correct the problem, try entering all numeric data with a decimal point at the end of it, like '2007.'

* When the program opens, the default fiscal year (2009) and region (South suburban) appear. This region equals the national average. The user should overwrite these values with actual data

Ready

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1 [Back to TOC](#) [Glossary look-up](#) [Continue to Line Item entry](#)

2

3 **Basic Introduction to the Tool**

4 To begin, please enter the name and type of the program you wish to evaluate, followed by the year or fiscal year from which the data have been taken. Finally, add the region in which your program operates. These four items are required for the rest of the program to function correctly. Continue reading below for additional instructions and suggestions.

5 Name of program being evaluated:	Better Life Center
6 Type of Program (Click to select type of program from list)	Case management
7 Using data from fiscal year:*	2011
8 My region and urban/rural status:*	West suburban

9 Note: If you enter a valid year, like 2007, in the field above and get an error, check this option: Click on 'Tools', 'Options', and then click the 'Edit' tab. If the 'Fixed decimals' option is checked, turn it off by clicking on the checkmark. If this does not correct the problem, try entering all numeric data with a decimal point at the end of it, like '2007.'

10 * When the program opens, the default fiscal year (2009) and region (South suburban) appear. This region equals the national average. The user should overwrite these values with actual data for other regions and years.

This tool produces an estimate of the value of services to individuals experiencing homelessness. The tool allows you, the user, to enter program expenses and program outputs to get costs per client and per unit of service. Research has shown that providing services to individuals experiencing homelessness can result in reduced utilization of emergency care, detox, jail, and shelter beds (e.g. Spellman et al., 2010, and Tsemberis et al., 2004). In general the more services needed, the greater the potential cost savings and/or cost offsets (e.g. Kertesz and Weiner 2009). While homeless service programs often understand their own costs and



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13 The comments field is available for you to put notes about cost line items, type of expense, or the percentage program allocation. This space for notes is provided for your own information as an aid in using the tool and understanding the results.

14 This page is formatted to print the text above plus the first 30 lines of the form below. If you need to change this, highlight the area you want to print and then click on 'File' and 'Set print area'.

15 See the Results summary page for subtotals and totals. [\(Go to Results page\)](#)

16

Item #	Item name	Yearly expense for item (\$)	Overhead rate (% , optional)	Type of expense (personnel, recurrent, capital, other)	% of line allocated to selected program	Total yearly cost allocated to program	Comments (optional)
1	Salaries	\$832,723		Personnel	19.0%	\$158,217	9 months
2	Payroll Taxes	\$77,513		Personnel	19.0%	\$14,727	2 months
3	Benefits	\$122,090		Personnel	19.0%	\$23,197	
4	Insurance	\$51,859		Personnel	19.0%	\$9,853	
5	Contracted Services	\$488,292		Personnel	45.0%	\$219,732	
6	In-Kind (Volunteer) Labor	\$122,697		Other	90.0%	\$110,427	
7	Fees and Charges	\$78,724		Recurrent	10.0%	\$7,872	
8	Occupancy	\$61,664		Recurrent	10.0%	\$6,166	
9	Supplies	\$160,779		Recurrent	10.0%	\$16,078	
10	Communications	\$13,619		Recurrent	10.0%	\$1,362	
11	Equipment Rent, Maint, etc.	\$22,931		Recurrent	35.0%	\$8,026	
12	Depreciation	\$118,485		Capital	35.0%	\$41,470	
13	Printing & Advertising	\$3,939		Recurrent	10.0%	\$394	
14	Transportation	\$12,820		Recurrent	15.0%	\$1,923	
15	Conference & Training	\$7,075		Recurrent	19.0%	\$1,344	
16	Client Assistance	\$8,845		Recurrent	10.0%	\$884	
17	Administration	\$118,023		Personnel	19.0%	\$22,424	

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E9 Unduplicated clients

1 [Back to TOC](#) [Go to Offsets](#)

3 **Program Outputs**

5 This page is part of calculating unit costs. To get a cost per unit of service, you need total costs (from the Costs page) and the number of clients (residents, patrons, or patients) who used services, and/or a count of the services provided. The table below gives some examples of selected units of service for several types of programs. If you are not sure what unit to use as your primary service measure, review the list for some suggestions.

6 To complete the page, enter a quantity into one or both of the quantity fields below. If you enter a quantity into the Primary Service Measure field, give a name or description for the unit in the Unit and Description field.

Program output	Quantity (total for fiscal year)	Unit and Description
Unduplicated clients	377	Unduplicated clients
Primary service measure	1332	Encounters

Program Type	Sample Program Output	Unit and Description
Permanent Supportive Housing	Unduplicated count of residents in permanent supportive housing (PH)	Unduplicated clients
	Person-months of housing provided in fiscal year	Housing person months
	Total occupied permanent supportive housing units for fiscal year	Occupied housing units
Case Management	Unduplicated count of case management clients	Unduplicated clients
	Number of encounters in fiscal year	Encounters
	Number of clients who obtained housing	Clients (who obtained housing)
Health care for homeless people	Number of medical visits	Medical encounters
	Number of clients accessing health services	Unduplicated patients
Mobile Outreach	Number of clients placed into housing as a result of the program's efforts	Unduplicated clients
	Unduplicated number of clients engaged by team	Unduplicated clients
	Client encounters	Encounters

TOC Bkgd Basics Line Out Outp Off OffSH OffCM Results Gloss

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B7 Case management (Bond 1995)

	A	B	C	D	E	F	G	H
6	Select one	Service type (click to see reference)	Client type	Description of service	Intensity of service	Offsets types	*Offsets value (per client per year) adjusted for year and region	Rating
7		Case management (Bond 1995)	Severely mentally ill who are frequent users of psychiatric hospitals	Assertive community treatment (ACT)	Team includes social work, rehabilitation, counseling, nursing and psychiatry providing case management, initial and ongoing assessments; psychiatric services; employment and housing assistance; family support and education; substance abuse services; services are available 24 hours per day, 365 days per year.	Annual hosp days difference: 63.6 controls, 30.2 intervention group. Decrease in mental health hospitalization	\$37,723	**
8		Case management (McGrew 1995)	Severely mentally ill. Difficult to treat, generally non responsive to treatment, and at highest risk for rehospitalization	Assertive community treatment (ACT)	Team includes social work, rehabilitation, counseling, nursing and psychiatry providing case management, initial and ongoing assessments; psychiatric services; employment and housing assistance; family support and education; substance abuse services; services are available 24 hours per day, 365 days per year.	Inpatient mental health hospitalization Annualized decrease of 22.9 days per client	\$16,943	*
9		Case management (Okin 2000)	High use emergency department patients (5 or more times in 12 months). The overwhelming majority of patients were poor, medically indigent, medically complex, and homeless (67%), with significant histories of drug and alcohol use.	Comprehensive, intensive case management	Case manager was a master's level psychiatric social worker who used a comprehensive, intensive case management model that coordinated crisis intervention, individual and group supportive therapy, arrangement of stable housing and financial entitlements, linkages to primary care providers, harm reduction services and referral to substance abuse treatment, liaison with other community agencies and extensive, persistent outreach.	Emergency department (ED) visits reduced by 6. ED costs decreased from \$4,124 to \$2,195 and median medical inpatient costs decreased from \$8,330 to \$2,786	\$2,142	*
10		Case management (Thornquist 2002)	Chronic inebriates living on the street who were identified to be among the highest users of emergency medical services related to acute intoxication.	Street-based case management	An intensive street based program that managed approximately 40 individuals	Median total medical costs; median medical charges \$5,436 to \$2,770 and total health care charges \$9,297 to \$5,218.	\$4,372	*
11	Use	Average cost offsets for case management	Homeless adults with substance abuse disorder or severe mental illness	Assertive, comprehensive or street based case management	Not applicable	Cost offsets is based on the average cost of service reduction in the studies shown above	\$15,295	Not applicable

Ratings:

** is for a study that performed a meta-analysis combining the results from several other studies with varying research designs.



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	A	B	C	D	E	F	G	H
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12

13 Ratings:

14 ** is for a study that performed a meta-analysis combining the results from several other studies with varying research designs.

15 * is for a study that looks at costs before and after provision of services. This is valuable, but may confuse cost reductions caused by

16 the program with results from other changes in the population such as regression to the mean. (See the Stat page for more information.)

17 Note: ^a For more information on the calculations, see the Region page.

18

19

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Supportive housing (Larimer et al.)

Health Care and Public Service Use and Costs Before and After Provision of Housing for Chronically Homeless Persons With Severe Alcohol Problems

Mary E. Larimer, PhD

Daniel K. Malone, MPH

Michelle D. Garner, MSW, PhD

David C. Atkins, PhD

Bonnie Burlingham, MPH

Heather S. Lonzak, PhD

Kenneth Tanzer, BA

Joshua Ginzler, PhD

Seema L. Clifasefi, PhD

William G. Hobson, MA

G. Alan Marlatt, PhD

Context Chronically homeless individuals with severe alcohol problems often have multiple medical and psychiatric problems and use costly health and criminal justice services at high rates.

Objective To evaluate association of a "Housing First" intervention for chronically homeless individuals with severe alcohol problems with health care use and costs.

Design, Setting, and Participants Quasi-experimental design comparing 95 housed participants (with drinking permitted) with 39 wait-list control participants enrolled between November 2005 and March 2007 in Seattle, Washington.

Main Outcome Measures Use and cost of services (jail bookings, days incarcerated, shelter and sobering center use, hospital-based medical services, publicly funded alcohol and drug detoxification and treatment, emergency medical services, and Medicaid-funded services) for Housing First participants relative to wait-list controls.

Results Housing First participants had total costs of \$8 175 922 in the year prior to the study, or median costs of \$4066 per person per month (interquartile range [IQR], \$2067-\$8264). Median monthly costs decreased to \$1492 (IQR, \$337-\$5709) and \$958 (IQR, \$98-\$3200) after 6 and 12 months in housing, respectively. Poisson generalized estimating equation regressions using propensity score adjustments showed total cost rate reduction of 53% for housed participants relative to wait-list controls (rate ratio, 0.47; 95% confidence interval, 0.25-0.88) over the first 6 months. Total cost offsets for Housing First participants relative to controls averaged \$2449 per person per month after accounting for housing program costs.

CONCERNS ABOUT HIGH PUBLIC system costs incurred by chronically homeless individuals have inspired nationwide efforts to eliminate chronic homelessness.^{1,2} Homeless people have high barriers to health care access generally but use acute care services at high

JAMA 2009

<http://www.enterprisecommunity.com/resources/ResourceDetails?ID=67266.pdf>



Homeless Program Economic Evaluation

Table of Contents for Tools

HOMELESSNESS RESOURCE CENTER

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1	Context	Background	Bkgd	Informational
		Basics	Basics	Complete
2	Inputs	Line item cost allocation	Line	Data entered
3	Outputs	Understanding outputs & outcomes	Out	Informational
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4	Calculations	Cost offsets description	Off	Informational
		Cost offsets for supportive housing	OffSH	Informational
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		Results summary	Results	Results available
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		Examples	Ex	Informational
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1 [Back to TOC](#) [Glossary look-up](#)

Summary of Results

This page presents a summary of the information you have entered about costs, services, and for cost offsets if available. The information found on the left summarizes cost totals, service totals, and unit costs. If you are examining a type of service for which offsets are available, there will also be information calculated under 'Offset Results' on the right. If you did not select an offset, there may be default offset values selected by the tool. We recommend that you review the OffSH or OffCM page to ensure that the cost offset that is the best match for your program has been selected. The terms '**net cost**' and '**benefit-cost ratio**' are defined in the glossary.

Summary of Economic Evaluation for program: *Better Life Center*

for fiscal year: 2011

Total Cost Summary			Offset Results	
9	Total program costs:	\$644,097	Program type:	Case management
10	Cost breakdown:	<u>Amount</u>	<u>% of total</u>	
11	Total personnel costs:	\$448,151	69.6%	Offset Value
12	Total recurrent costs:	\$44,050	6.8%	Cost offset per unduplicated client:
13	Total capital costs:	\$41,470	6.4%	\$15,295
14	Total other costs:	\$110,427	17.1%	
Services Provided			Benefit-Cost Ratio	
16	Unduplicated client count:	377	Net Cost per unduplicated client:	-\$13,586
17	Primary service count:	1332	Benefit-Cost Ratio:	8.95
18	Primary service unit:	Encounters		
Unit Cost Per Service				
20	Cost per unduplicated client:	\$1,708		
21	Cost per Encounters:	\$484		

23 **Notes on Limitations of the Results**



Real example

- ▶ Community Health Workers from CMS Health Care Innovation Award
- ▶ Conversation with Sue Moore, Charles Drew Health Center, Omaha, NE



Table of contents ('TOC') at start...

Homeless Program Economic Evaluation



Table of Contents for Tools

HOMELESSNESS RESOURCE CENTER

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		Basics	Basics	Please fill in
2	Inputs	Line item cost allocation	Line	Not started
3	Outputs	Understanding outputs & outcomes	Out	Informational
		Outputs measurement	Outp	Not Started
4	Calculations	Cost offsets description	Off	Informational
		Cost offsets for supportive housing	OffSH	Informational
		Cost offsets for case management	OffCM	Informational
		Results summary	Results	Not complete



'Basics' sheet...

[Back to TOC](#)

[Glossary look-up](#)

[Continue to Line Item entry](#)

Basic Introduction to the Tool

To begin, please enter the name and type of the program you wish to evaluate, followed by the year or fiscal year from which the data have been taken. Finally, add the region in which your program operates. These four items are required for the rest of the program to function correctly. Continue reading below for additional instructions and suggestions.

Name of program being evaluated:

Comm. Health Assistance Prog. (CHAP)

Type of Program

Case management

(Click to select type of program from list)

Using data from fiscal year:*

2013

My region and urban/rural status:*

Midwest urban

Note: If you enter a valid year, like 2007, in the field above and get an error, check this option:

Click on 'Tools', 'Options', and then click the 'Edit' tab. If the 'Fixed decimals' option is checked, turn it off by clicking on the checkmark. If this does not correct the problem, try entering all numeric data with a decimal point at the end of it, like '2007.'



'Line' sheet beginning...

Item #	Item name	Yearly expense for item (\$)	Overhead rate (% , optional)	Type of expense (personnel, recurrent, capital, other)	% of line allocated to selected program	Total yearly cost allocated to program	Comments (optional)
1	CHW #1&2 Salary	\$66,007	13.0%	Personnel	100%	\$74,588	12+5 mo.
2					100%	\$0	
3					100%	\$0	
4					100%	\$0	
5					100%	\$0	
6					100%	\$0	
7					100%	\$0	



'Line' sheet completed...

Item #	Item name	Yearly expense for item (\$)	Overhead rate (% , optional)	Type of expense (personnel, recurrent, capital, other)	% of line allocated to selected program	Total yearly cost allocated to program	Comments (optional)
1	CHW #1&2 Salary	\$66,007	13.0%	Personnel	100%	\$74,588	12+5 mo.
2	Fring benefits (22%)	\$14,522	13.0%	Personnel	100%	\$16,409	
3	Cell phone	\$1,414	13.0%	Recurrent	100%	\$1,598	
4	Travel	\$2,493	13.0%	Recurrent	100%	\$2,817	
5	Conference	\$11,197	13.0%	Recurrent	100%	\$12,653	
6	Equipment	\$2,614	13.0%	Recurrent	100%	\$2,954	
7	Supplies	\$626	13.0%	Recurrent	100%	\$707	
8	Managerial Costs	\$6,000	13.0%	Personnel	100%	\$6,780	
9					100%	\$0	
10					100%	\$0	



'Outp' sheet...

[Back to TOC](#)

[Go to Offsets](#)

Program Outputs

This page is part of calculating unit costs. To get a cost per unit of service, you need total costs (from the Costs page) and the number of clients (residents, patrons, or patients) who used services, and/or a count of the services provided. The table below gives some examples of selected units of service for several types of programs. If you are not sure what unit to use as your primary service measure, review the list for some suggestions.

To complete the page, enter a quantity into one or both of the quantity fields below. If you enter a quantity into the Primary Service Measure field, give a name or description for the unit in the Unit and Description field.

Program output	(total for fiscal year)	Unit and Description
Unduplicated clients	34	Unduplicated clients
Primary service measure	436	# of Contacts



'TOC' updated...



Table of Contents for Tools

HOMELESSNESS RESOURCE CENTER

No.	Chapter	Page	Tab	Completion status
1	Context	Background Basics	Bkqd Basics	Informational Complete
2	Inputs	Line item cost allocation	Line	Data entered
3	Outputs	Understanding outputs & outcomes Outputs measurement	Out Outp	Informational Complete
4	Calculations	Cost offsets description Cost offsets for supportive housing Cost offsets for case management Results summary	Off OffSH OffCM Results	Informational Informational Informational Results available



'Results' sheet...

[Back to TOC](#)

[Glossary look-up](#)

Summary of Results

This page presents a summary of the information you have entered about costs, services, and for cost offsets if available. The information found on the left summarizes cost totals, service totals, and unit costs. If you are examining a type of service for which offsets are available, there will also be information calculated under 'Offset Results' on the right. If you did not select an offset, there may be default offset values selected by the tool. We recommend that you review the OffSH or OffCM page to ensure that the cost offset that is the best match for your program has been selected. The terms '**net cost**' and '**benefit-cost ratio**' are defined in the glossary.

Summary of Economic Evaluation for program:

Comm. Health Assistance Prog. (CHAP)

for fiscal year: 2013

Total Cost Summary			Offset Results	
Total program costs:	\$118,506		Program type:	Case management
Cost breakdown:	<u>Amount</u>	<u>% of total</u>		
Total personnel costs:	\$97,777	82.5%	Offset Value	
Total recurrent costs:	\$20,729	17.5%	Cost offset per unduplicated client:	\$25,030
Total capital costs:	\$0	0.0%		
Total other costs:	\$0	0.0%		
Services Provided			Benefit-Cost Ratio	
Unduplicated client count:	34		Net Cost per unduplicated client:	-\$21,544
Primary service count:	436		Benefit-Cost Ratio:	7.18
Primary service unit:	# of Contacts			
Unit Cost Per Service				
Cost per unduplicated client:	\$3,485			
Cost per # of Contacts:	\$178			
			45	



Breakeven point on cost reduction

- ▶ Program participants from one hospital: 35
- ▶ Cost of participants' hospital care in prior fiscal year: \$564,754
- ▶ Hospital cost per participant:
$$\$564,654 / 35 = \$16,136$$
- ▶ Program cost per midpoint participant =
\$3,485
- ▶ Breakeven point on cost reduction:
$$\$3,485 / \$16,136 = 22\%$$



Illustrative cost reduction

- ▶ Suppose program reduced hospital costs by 40%
- ▶ Savings in hospital costs: $\$16,136 \times 40\% = \$6,454$
- ▶ Benefit-cost ratio based on hospital costs alone = benefits / costs = $\$6,454 / \$3,485 = 1.9$
- ▶ Every \$1 invested in case management program returns \$1.90 in hospital savings



Exercise

▶ See handout



Other sample applications

- ▶ Midwest providers
 - ▶ Internal management interest: Cost analysis of management information software
 - ▶ Analysis of unit costs of two emergency shelters led to a shift in recruitment practices
 - ▶ Advocacy interest: Examine trends in unit costs to measure efficiencies
- ▶ Southwest provider
 - ▶ Compare unit cost of two case management programs, one with three case managers and one with two case managers
- ▶ Northwest provider
 - ▶ Compare unit costs of mobile clinic versus a fixed clinic



CHS Value Model for Community Health Centers

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