



Advisory Board Fellowship

Uncovering the Health Care and Police Costs of Chronic Homelessness in the District

Advisory Board Analysis for Miriam's Kitchen

Uncovering the Costs of Chronic Homelessness

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The Impact of Chronic Homelessness: Costs of Highest Utilizer

The Advisory Board team was asked to determine the cost of providing five discrete services to the chronically homeless population in Washington D.C.

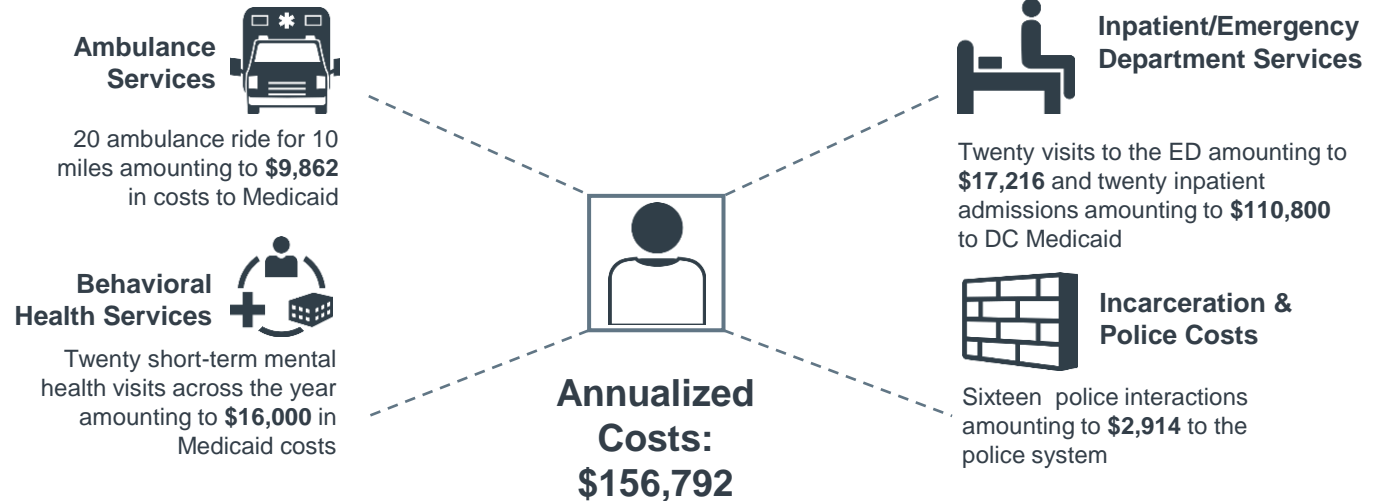
The graphic to the right illustrates the overall cost of those services, based on average annual utilization data. Just adding these four services totals over \$156,792 in annual costs.

Inpatient services and the emergency department comprise the majority of overall costs.

An important note about these costs. They are not comprehensive. These costs do not include other potentially more expensive items pertaining to inpatient admissions, physician visits, or support provided by other community organizations. They are limited to health care services and interactions with the police department.

The utilization data for this analysis is based on a survey of the chronically homeless conducted across six months as part of the Coordinated Entry System. The overall numbers here are annualized across the year.

Potential Annual Utilization of Highest Homeless Utilizer of Health Care Services



Costs Add Up Quickly

- Utilization data for homeless individual based on interviews with health care service providers and literature search
- Total costs for three categories requested by Miriam’s Kitchen: emergency services, behavioral health, and incarceration could amount to \$80,140 annually

Category	Annualized Utilization
Ambulance	20 uses
Inpatient admissions	20
Emergency Department	20 visits
Behavioral Health	20 visits
Incarceration	16 police interactions

The Impact of Chronic Homelessness: Costs of Highest Utilizers

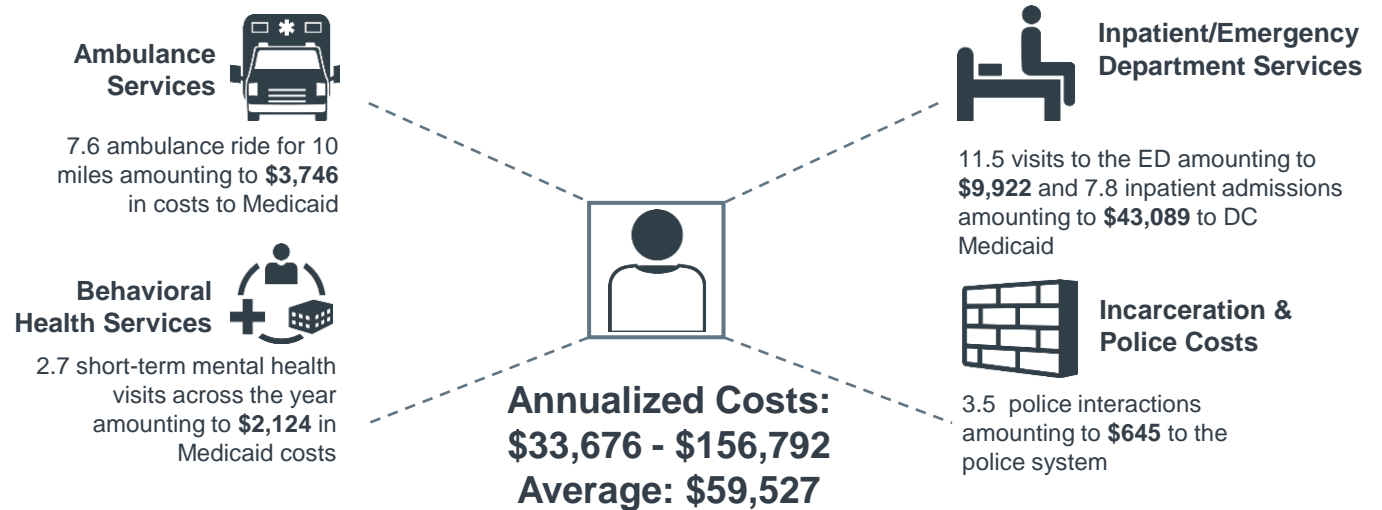
The Advisory Board team was asked to determine the cost of providing five discrete services to the chronically homeless population in Washington D.C.

The graphic to the right illustrates the overall cost of those services, based on sample utilization data. Just adding these five services totals over \$59,527 in average annual costs.

As noted earlier, these costs are not comprehensive and are limited to health care services and interactions with the police department.

The utilization data for this analysis is based on a survey of the chronically homeless conducted across six months Coordinated Entry System. The overall numbers here are annualized across the year.

Potential Annual Utilization of Top 10% Highest Homeless Utilizers of Health Care Services



Costs Add Up Quickly

- Utilization data for homeless individual based on interviews with health care service providers and literature search
- Total costs for three categories requested by Miriam’s Kitchen: emergency services, behavioral health, and incarceration could amount to \$80,140 annually

Category	Annualized Utilization
Ambulance	7.6 uses
Inpatient admissions	7.8
Emergency Department	11.5 visits
Behavioral Health	2.7 visits
Incarceration	3.5 police interactions

Summary of Costs

Emergency/Acute Care Services	Cost of Services
Transportation (Ambulance)	\$460 - \$767 per ride ¹
Emergency Department	\$861-\$1017 per visit
Inpatient stay	\$5,540 per stay

Behavioral Health Services	Program	Cost of Behavioral Health Services	Time Needed for Services	Frequency of Services
Short-term services	CPEP	\$800 per encounter billed to Medicaid	17-18hrs per visit	1.25-1.3 visits per person annually
Medium-term services	Crisis Beds	\$340 per day	10-14 days per visit	Typically one-off encounters
Long-term services	St. Elizabeth's Hospital	\$850 per day	2-4 months	Typically one-off encounters

Incarceration	Cost of Service	Average Length of Incarceration	Frequency of Incarceration	Service Type
Local Washington D.C Jails	\$182.40 per inmate per day	<ul style="list-style-type: none"> • 109 days for males • 56 days for females 	19% of all inmates were re-incarcerated after one year	Local Washington D.C Jails

1) Assumes 5 mile distance covered.

Ambulance Services

There are three types of ambulance services contracted by the D.C. local government.


Basic (BLS): These services are provided to patients requiring “basic life support.” BLS includes minimal or basic treatment and vital signs monitoring. In some cases, oxygen may also be given. Reasons for BLS transport are usually considered “non-life threatening.”

Advanced (ALS): These services typically require life support in the ambulance.

Advanced 2 (ALS 2): These ambulance services are usually provided in cases where the patient’s condition is considered “immediately life threatening.”

Ambulance services are paid at a flat fee, billed out by DC government to the individual or their insurer for each ambulance service.

Ambulance Type	Unit Cost (\$ per encounter)
Basic (BLS)	<ul style="list-style-type: none"> • \$428 per ride • \$6.55 per mile surcharge
Advanced (ALS)	<ul style="list-style-type: none"> • \$508 per ride • \$6.55 per mile surcharge
Advanced 2 (ALS 2)	<ul style="list-style-type: none"> • \$735 per ride • \$6.55 per mile surcharge



Homeless Utilization of Ambulance Services

20%	Proportion of high-volume ambulance users who are homeless	5	Number of ambulance rides needed to qualify as a high utilizer	196	Number of ambulance services used by highest utilizer
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Emergency/Inpatient Visits

Emergency department costs are defined as the charge to an individual for a defined set of services provided in the emergency room. Those charges are then covered by the individual in the form of copays or by a public or private insurer to greater or lesser degrees.

There is no one specific reimbursement for an ED visit; rather Medicaid (as well as Medicare and all other insurers) group services together along with the location ER and a level to approximate the “cost” of an average ED visit.

At this time the Data team at the DC Dept. of Healthcare Finance is pulling the average cost of an ED visit for calendar year 2013.

We have used national data as a proxy here. The first data point represents average cost of ED services for all people under 65 with public coverage (Medicaid, Tricare etc...) The second is mean expense for all people including those with no coverage up to the FPL.

Emergency Department Usage	Definition	Cost of Services
CDC National Data for ED Usage	Mean expense under 65 years with public coverage	\$861 per visit
CDC National Data for ED Usage	Mean expense (by income) regardless of coverage below 100% of Federal Poverty Level	\$1017 per visit
Inpatient visits	Average payment of an inpatient stay in FY 2013, following an ED visit	\$5540 per stay

Behavioral Health

The Washington D.C. Department of Behavioral Health (DBH) serves a population of 18,000 individuals per year. The department estimates that 23% of the population utilizing behavioral health services are homeless.

About 3,000 use the Comprehensive Psychiatric Emergency Program (CPEP). Crisis beds and St. Elizabeth’s represent a very small portion of the remainder (only a few hundred per year). Community hospitals account for the bulk of the mental health services to the overall population.

Short Term: CPEP (comprehensive psychiatric emergency program) mostly involuntary services . CPEP decides whether they need admission to community hospital. On average, 25-30% of patients per month are admitted.

Medium Term: Crisis Stabilization Beds are available for a small percentage of patients that represent only voluntary admission from community hospitals.

Longer Term: Patients with the most severe behavioral health needs are transferred to St. Elizabeth’s hospital.

Service Type	Program	Cost of Behavioral Health Services	Time Needed for Services	Frequency of Services
Short-term	Comprehensive Psychiatric Emergency Program (CPEP) stay (Department of Behavioral Health or DBH)	\$800 per encounter billed to Medicaid	17-18hrs per visit	1.25-1.3 visits per person annually
Medium-term	Short term mental health visit (crisis stabilization post acute-care discharge)	\$340 per day	10-14 days per visit	Typically one-off encounters
Long-term	St. Elizabeth's Hospital institutionalization (DBH)	\$850 per day	2-4 months	Typically one-off encounters

Incarceration Costs

Incarceration is defined as the costs for temporary housing for the chronically homeless in Washington D.C. jails.

For FY 2014 (October 1, 2013 – May 31, 2014), the DC Department of Corrections incarcerated 371 homeless individuals. Annualized across the year, that would amount to 557 individuals per year.

Service Type	Cost of Service	Average Length of Incarceration	Frequency of Incarceration
Local Washington D.C Jails	\$182.40 per inmate per day	<ul style="list-style-type: none"> • 109 days for males • 56 days for females 	19% of all inmates were re-incarcerated after one year

Cost Data Sources

The Advisory Board project team would like to thank the individuals listed at right for their assistance in providing cost data for the categories requested by Miriam's Kitchen.

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