

## Dissimilar Costs and Supports among Options to Be Compared

The “SB627 Workgroup – Cost Analysis of Options” for work group four in October has several appendices that provide tabular data intended to support the comparison of options provided by DBHDS. In general, the individual tables for different options do not list the supports they offer in a consistent manner that would enable the work group members to compare options based upon a similar array of types of support. Two particular types of support, physical therapy and occupational therapy, were, however, listed for NVTC, SWVTC, and ICF/IIDs in their respective areas. By comparing these across the different options, one can judge whether the level of support and efficiency of providing supports are comparable for those options. The results given below show that the options provide extraordinarily different levels of support, which discredits the remainder of the cost estimates as not being relevant to comparing the options.

### Comparison of Physical Therapy Supports for Northern Virginia

Appendices C and F tabulate the number of staff and total costs for providing physical therapy supports for NVTC and an ICF/IID in Northern Virginia respectively. Table 1 shows these raw data along with the estimated number of hours of therapy and cost of therapy per resident in either of the options.

**Table 1. Comparison of Physical Therapy Supports and Costs for Northern Virginia**

Region	Northern Virginia							
Setting	NVTC				ICF/IID			
Census	40				16			
Type of Support	Number of Staff	Staff Hrs Resident Yr	Cost	Cost Per Resident	Number of Staff	Staff Per Resident	Cost	Cost Per Resident
Physical Therapy	9	375	\$729,206	\$18,230	400	25	\$62,500	\$3,906
Cost per Hour of Therapy				\$49				\$156
Hypothetical Reduction NVTC to Two Therapists	2	83	\$182,302	\$4,051				

These data provided by DBHDS imply that residents of NVTC would receive 375 hours of PT per year in comparison with 25 hours for residents of the ICF/IID. A more comparable level of support would be for NVTC to employ only two physical therapists, who would provide three times the therapy at similar cost to the ICF/IID option. Note also that the hourly rate for contracted PT support at the ICF/IID costs three times as much per staff hour as at NVTC. While it is possible that contracted PT support does not cover the associated paperwork, nurses spend only half their time

documenting their work, so even at that level, PT support would be less expensive at NVTC. Nonetheless, DBHDS presented the nine-therapist configuration for their cost comparison, implying that the resulting numbers are untrustworthy.

Since Appendix C repeats the same table for the 75-bed and the 40-bed option, it is possible that the data actually apply to 75 residents. However, even this possibility cannot close the 15:1 ratio in services and the 4:1 ratio in costs between NVTC and the ICF/IID.

The HCBS waiver option was presented as an average total waiver cost of \$68,000 per year per resident, but this only covers PT consultation. Actual PT services are charged directly to Medicaid and half is paid by Virginia as matching General Funds, but this was not included or acknowledged in the DBHDS cost comparison.

### Comparison of Physical and Occupational Therapies for Southwestern Virginia

Appendices D and F tabulate the number of staff and total costs for providing physical and occupational therapy supports for SWVTC and an ICF/IID in Southwestern Virginia respectively. Table 2 shows these raw data along with the estimated number of hours of therapy and cost of therapy per resident in either of the options.

**Table 2. Comparison of Physical and Occupational Therapy Supports and Costs for Southwestern Virginia**

Region	Southwestern Virginia							
Setting	SWVTC				ICF/IID			
Census	100				16			
Type of Support	Number of Staff	Staff Hrs Resident Yr	Cost	Cost Per Resident	Number of Staff	Staff Per Resident	Cost	Cost Per Resident
Occupational and Physical Therapy	6	100	\$731,945	\$7,319	800	50	\$100,000	\$6,250
Cost per Hour of Therapy	\$73				\$125			

Here, the hours of service and costs are much more similar than for Northern Virginia. Nonetheless, SWVTC delivers twice the service at only 17% higher cost. An hour of PT/OT at SWVTC costs only 57% as much as it does under the ICF/IID contract arrangement.

### Summary of Findings

The DBHDS cost analyses are incomplete (do not cost the waiver option and similar supports), and do not represent comparable services; therefore, they cannot be used to compare the costs of the various options.