

Self-Directed Financing of Services for People with Serious Mental Illnesses

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Background

This poster describes the results of a randomized controlled trial study of a unique “money follows the person” program called self-directed care (SDC), representing an academic-public collaboration between the UIC Center on Mental Health Services Research & Policy and the Texas Department of State Health Services. SDC programs give participants authority over designated public funds to directly purchase outpatient services, supports, and goods to foster their recovery from serious mental illness. A body of literature suggests the effectiveness of this model for the elderly, the physically disabled, and people with developmental disabilities, but this study represents the first rigorous examination of the model for adults with psychiatric disabilities.

Methods

Consenting adults with serious mental illness were randomly assigned with their consent to SDC versus services as usual. Outcomes of SDC participants ($n=102$) were compared to control group participants ($n=114$) at study baseline, 12-month, and 24-month follow-up via 60-minute telephone interviews. Mixed effects random-regression analysis tested for changes within and between the two study conditions over time. Service utilization and cost data were provided by the partnering managed care company (Value Options) and the Texas state mental health authority. Service delivery costs were examined as total costs and within categories of service delivery.

Results

SDC participants had significantly lower somatic symptoms than controls and this difference persisted across the 2-year study period ($p<.05$). SDC participants also had significantly higher levels of coping mastery, self-esteem, and self-perceived recovery from mental illness than controls throughout the 24-month follow-up period. SDC members also reported greater ability to ask for help, to rely on social support from others, and willingness to pursue recovery goals than controls over time. Total service costs for SDC participants over the 24-month follow-up period were significantly lower on average, at \$5,240 per subject for SDC members compared to \$5,493 for control participants. Two-year costs for inpatient psychiatric care were significantly lower for SDC participants than controls, averaging \$295 vs. \$613 per subject, respectively. Service categories in which expenditures were significantly higher for SDC than control participants were psychotherapy (SDC=\$362, control=\$35), residential treatment (SDC=\$115, control=\$92), and peer services (SDC=\$26, control=\$22). Results indicate that although they spent somewhat less than control participants, SDC members had improved psychological and recovery outcomes. These are summarized in Table 1.

Table 1. Summary of Services Costs by Study Condition			
Year 1 & 2 Combined Services Costs	Services as Usual ($n=102$); Mean (SD)	SDC Condition ($n=114$); Mean (SD)	T test 95% CI; ($\leq p < .05$)
Services with GREATER Expenditures by Self-Directed Care Program Participants			
Mental Health Diagnostics	\$40.03 (\$63.56)	\$53.89 (\$82.39)	NS
Psychotherapy	\$35.41 (\$152.98)	\$362.46 (\$688.86)	Sig
Peer Services	\$21.83 (\$108.74)	\$26.32 (\$152.68)	Sig
Residential Treatment	\$91.86 (\$503.08)	\$115.68 (\$607.44)	Sig
Non-Traditional Services	\$0.00 (\$0.00)	\$1,346.47 (\$1,054.74)	
Services with LOWER Expenditures by Self-Directed Care Program Participants			
Inpatient Treatment	\$613.41 (\$2,035.06)	\$295.32 (\$1,417.17)	Sig
Emergency Services	\$329.75 (\$746.58)	\$191.47 (\$618.69)	Sig
Substance Abuse	\$293.71 (\$1,440.53)	\$99.39 (\$441.22)	Sig
Medications	\$2,605.47 (\$5,393.42)	\$1,965.33 (\$4,170.11)	Sig
Medication Management	\$502.77 (\$408.70)	\$293.35 (\$342.05)	Sig
Skills Training	\$66.04 (\$177.38)	\$11.65 (\$59.39)	Sig
Psychosocial Rehabilitation	\$822.83 (\$1,613.46)	\$441.14 (\$1,143.43)	Sig
Case Management	\$69.49 (\$233.82)	\$29.03 (\$166.07)	Sig
Total Services Expenditures – LOWER for SDC Program Group Overall			
TOTAL Y1 & Y2	\$5,492.61 (\$8,268.49)	\$5,239.70 (\$5,499.89)	Sig

In addition to differences in services expenditures, compared to controls*, at baseline, 12- & 24-month follow up, SDC participants reported significantly:

- Lower somatic symptoms (e.g., pain, nausea)
- Higher levels of coping mastery
- Higher self-esteem
- Higher levels of self-perceived recovery
- Greater ability to ask for help
- Greater reliance on social support from others
- Greater willingness to pursue recovery goals

Overall, greater perceptions of their service delivery system as client-driven.

*Tested using random regression, $p < .05$.

Summary

The SDC model achieved superior client outcomes for significantly lower service delivery expenditures than those resulting from the traditional service delivery system. Giving clients control over their service delivery dollars did not cause them to forego traditional services such as psychiatric medication or psychotherapy, and did not lead to fraud or misuse of funds. With support from program staff, individuals with serious mental illness were able to develop recovery plans, formulate individual budgets with line items corresponding to goals in their recovery plans, and spend money responsibly and effectively on both traditional and non-traditional services. These findings have important implications in light of the current emphasis on public mental health system transformation through alternative financing mechanisms.