

Goetze Consulting Baby Watch Independent Cost Study Key Findings

Legislative Bullets:

- ***Payor of last resort*** is a Part C federal requirement that means that Baby Watch must utilize Medicaid, parent fees and state Part C funds before billing Federal funds. Baby Watch has evolved over time to leverage more resources from Medicaid and added a parent fee requirement based on a sliding fee scale that includes family income in order to increase the revenues from these funds for services to children and families.
- ***Baby Watch Cost includes expenditures and revenues as well as in-kind, unreimbursed resources.*** The cost study evaluated the resources that are used to support Baby Watch services and other activities including those that were provided in-kind, and are not reimbursed from Baby Watch funds. These in-kind resources came from the provider organizations and Baby Watch providers.
- ***In-Kind resources were found to contribute an additional 10% to the local program buying power*** over and above the revenues generated from Medicaid, parent fees and Part C funds. About 4% of this in-kind was from provider umbrella organizations that include school districts, local health departments, private non-profit and university programs. The other 6% of in-kind was attributed to local Baby Watch providers working more time than local Baby Watch Providers paid local staff in salary and benefits.
- ***The Baby Watch Cost Study found that individual and group direct services were a relatively low % of total cost.*** This finding mirrors Part C individual and direct service findings in other states. Providers spent significant amount of time in a variety of activities that involve directly working with families and children AND are required by Federal Part C legislation. Local Baby Watch staff work directly with families to develop and implement the individualized service plan, do child find, eligibility assessment and determination, making and confirming appointments, consultation, and transition as well as other support services, such as travel, that are required under the Part C federal legislation.
- ***The service requirements of Part C are complex due to the nature of the disabilities and the age of the children that are served.*** Services are delivered in the natural environment, most often the child's home. This requires significant travel resources, especially provider time. Time that providers spend confirming appointments minimizes no shows and maximizes efficient delivery of direct services to children and families. Working directly with families in their home maximizes the effectiveness of

the services to the children by building family capacity to better meet the needs of their child in their home over the long term.

- ***The cost per child and family served used in the report was a single point in time, December 1, 2014, resulted in a higher cost per child than other measures of the number of children and families served.*** The December 1 child count is a commonly used nationally reported measure of the number of Part C children served by the program. However more children were served during 2014 than reflected in this number because children and families exit and enter the program throughout the year. The cumulative child count is significantly higher than the number on any given day. In addition the Baby Watch cost study showed that many children that begin the child find, assessment and eligibility process don't enter the child count because they move, decide not to enroll or may not make the eligibility cutoff for a full IFSP. Finally the program serves both children and families and only counts the number of children served in the average cost per child served. A big part of the program is to teach families how to teach their child various life functions. The number of Utahans that benefit from Baby Watch services is much higher than the either the December 1 or cumulative child count.
- ***The data in the cost study report support the need for the program for additional resources to support local delivery of direct services.*** The finding that the program cost 10% more than providers received in funding is evidence that providers have tapped all the additional resources that they have available to maximize services to children and families. The report did not include a detailed time diary analysis of how the state Baby Watch office and Bureau are using the resources they keep for state level administration. This may be an important question for a future study to undertake to determine efficiency at that level. This study finds that the local providers are operating their programs at the highest quality and intensity possible given the resources available and leveraged from a variety of funding and in-kind sources.