

The Substance Abuse Treatment Cost Allocation and Analysis Template (SATCAAT) was created by cost accountants for the purpose of quantifying the unit costs of treatment by substance abuse treatment service delivery units (SDUs). This fact sheet describes the SATCAAT, which was developed for the Center for Substance Abuse Treatment (CSAT) to analyze the cost of substance abuse treatment services. Also presented are findings from an application of the tool for assessing the distribution of costs by type of expense and by type of personnel across SDUs. A total of 37 SDUs were included in this analysis, including both outpatient and residential treatment modalities. This analysis revealed that approximately two-thirds of SDU costs were for staff salaries. Across modalities, a higher proportion of certified addictions counselors, administrative staff and housing staff accounted for staffing costs, than psychologists, psychiatrists, social workers, medical staff, outreach workers, and other therapists.

### Background

This fact sheet describes the use of a new tool to study the cost of substance abuse treatment. The Substance Abuse Treatment Cost Allocation and Analysis Template (SATCAAT) was developed under the sponsorship of the Center for Substance Abuse Treatment (CSAT). The SATCAAT was created by cost accountants to generate unit-cost data on individual treatment services at a variety of substance abuse treatment service delivery units (SDUs).

Using SATCAAT, cost data for this analysis were collected from 37 SDUs operated by 11 different providers of substance abuse treatment. All of the providers were corporately affiliated with treatment units that were funded by CSAT. Four types of SDUs were represented:

- Freestanding detoxification (n=6)
- Residential (n=15)
- Intensive outpatient (n=9)
- Standard outpatient (n=7).

The data were collected on-site by trained cost accountants using the SATCAAT's data collection forms and protocols. In most cases, the analysis was based on 1997 data. For some providers, however, 1996 data were the latest available.

This fact sheet presents data on costs by type of SDU, including SDU characteristics and costs per client, per client day and annual total costs, as well as SDU costs by type of expense and level of care, and costs by type of personnel.

Fact Sheet 88 presents data for the total sample, regardless of SDU type, including types of expenses, staffing costs by type of personnel, and the distribution of clinical staff time by clinical services.

### Characteristics and Costs Varied by SDU

Characteristics of SDUs differed. Freestanding detox SDUs carried the largest annual caseload (871 clients), while the smallest annual caseload was in residential SDUs (149 clients). There was variability in the average daily census of clients, with standard outpatient units reporting more clients per day (72) than the other three modalities combined (49). Average lengths of stay were highest among residential (92 days) and standard outpatient (88 days) SDUs. Although standard outpatient SDUs had long average lengths of stay in treatment, they also had the lowest total costs per client day of all SDUs. In contrast, freestanding detoxification units had the shortest average client lengths of stay in treatment and the highest costs per client day.

Total cost per client day and annual total costs were highest in the freestanding detoxification and residential SDUs. The annual total costs of the freestanding detoxification and residential SDUs were more than double the annual total costs of the intensive outpatient and standard outpatient SDUs.

Characteristics of the SDUs in the Sample (N=37)				
	Freestanding detox	Residential	Intensive outpatient	Standard outpatient
Annual clients	871	149	224	312
Average daily census	7	25	17	72
Length of stay	5 days	92 days	53 days	88 days
Total cost/client	\$1,046	\$6,043	\$1,735	\$1,336
Total cost/client day	\$194/day	\$66/day	\$33/day	\$15/day
Annual total cost	\$911,066	\$900,407	\$388,640	\$416,832

### Salaries Accounted for the Largest Proportion of Costs Across SDUs

For this analysis, three groups were used to assess provider level of care. Providers that offered residential or outpatient services exclusively were examined separately. A third SDU category, "mixed types" was also examined, and includes outpatient and residential SDUs that were co-located, and therefore shared resources.

# Distribution of Costs of Substance Abuse Treatment by Type of Service Delivery Unit

About two-thirds of costs for outpatient (67%) and mixed type SDUs (66%) and nearly two-thirds (61%) of costs for residential treatment were for salaries, including contracted staff. Although accounting for 15 percent or less of costs, administration expenses were the second largest category of costs. Combining categories, 15 percent or less of costs by SDU level of care were attributed to depreciation, rent, and interest; medical care and laboratory, utilities and telephone, and staff education. The largest discrepancy in cost across SDUs was for maintenance, housekeeping, diet and laundry, and as expected, residential SDUs had higher proportions of these costs (12%) than outpatient (3%) and mixed type (7%) SDUs. A very small percentage of costs, less than one percent across SDUs, was attributed to staff education.

	Residential	Outpatient	Mixed
Total salaries	61%	67%	66%
Depreciation, rent, and interest	4%	5%	7%
Medical care and laboratory	2%	4%	3%
Administration	15%	12%	10%
Maintenance, housekeeping, diet, laundry	12%	3%	7%
Staff education	<1%	<1%	<1%
Utilities and telephone	3%	4%	4%
Other	3%	5%	4%

## Staffing Costs Varied by Personnel Type

Across SDUs, a higher proportion of certified addictions counselors, administrative staff and housing staff accounted for staffing costs, than psychologists, psychiatrists, social workers, medical staff, outreach workers, and other therapists. The single largest category of staffing costs was for certified addictions counselors (from 21% in the mixed SDU to 45% in the outpatient SDU). Administrative staff costs accounted for about one-fourth of costs across SDUs. As would be expected, costs for housing staff accounted for a larger proportion of costs in the residential (24%) and mixed type (19%) SDUs, but only a small proportion of costs in the outpatient (2%) SDUs.

Costs for psychologists and social workers accounted for a relatively larger proportion of costs (6% and 7% respectively) in outpatient SDUs than in residential or mixed type SDUs. Medical staff contributed more to the proportion of staffing costs in the mixed (8%) and outpatient (7%) SDUs, than in the residential (3%) SDUs.

	Residential	Outpatient	Mixed
Certified addiction counselors	31%	45%	21%
Psychologists	1%	6%	<1%
Psychiatrists	1%	3%	1%
Social workers	<1%	7%	2%
Medical staff	3%	7%	8%
Outreach workers	0	0	2%
Other therapists	3%	4%	7%
Housing	24%	2%	19%
Administrative	25%	23%	26%
Other	11%	5%	14%

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