

Prioritization of Services in the Face of Scarcity

The Mental Health and Recovery Services Board of Stark County

INTRODUCTION

The Stark County MHRSB (hereafter referred to as "the Board") realizes that it faces a future of uncertain funding which is likely to involve greater restrictions on available resources. Recognizing that it will not be possible to fund all programs at their historical levels, it is incumbent upon the Board to use its resources efficiency, effectively, and in the most ethically defensible way to maximize fairness. This document outlines the philosophical reasoning behind the effort to prioritize populations, programs and providers who are in competition for limited resources.

BASIC PRINCIPLES

When considering the goals and values that drive decision making in the face of scarcity, it becomes clear that at least four distinct concepts should be considered. They are Efficiency, Effectiveness, Equity and Equality. To clarify what we mean with each of these terms, consider the following definitions:

1. Efficiency: A maximally efficient outcome is one that provides the highest ratio of output over input in a system. Efficiency does not consider the distribution of outcomes across recipients, but only the return on investment that is generated.
2. Effectiveness: A maximally effective outcome is one that maximizes benefit to the recipient of the resources or services in question so as to bring about the greatest gain for the chosen recipient. When we consider effectiveness, we apply the economic principle of maximax; obtaining the best possible best-case outcome.
3. Equality: An equal distribution is one that maximizes the degree of similarity of outcome for all recipients of goods or services.
4. Equity: A maximally equitable distribution of goods or services is that which minimizes harm to the non-recipient of resources or services in question so as to bring about the least harm to all potential recipients. When we consider equity, we apply the economic principle of maximin; obtaining the best possible worst-case outcome.

All of these values are important, but the order in which they are considered will greatly impact the fairness of any particular allocation decision. For instance, efficiency might be satisfied maximally by serving individuals with the simplest needs. Effectiveness would clearly be best served by working with individuals who have the fewest challenges. Equality would have to be defined either in terms of the level of resources committed across individuals or programs, or in terms of the outcomes produced, but it might be impossible to guarantee equality across disparate groups. Equity, which seems the closest match to 'fairness', is likely to require that we pay greatest attention to the neediest recipients, which could result in reductions in all three of the remaining four values.

After careful discussion, we have determined that the highest priority when making difficult budgetary decisions in the midst of economic challenge is to help those in greatest need. This goal comports with the concept of equity as defined above. We believe that when we are not able to do everything that we would like to for all potential recipients of services, it is imperative that we place higher priority on serving individuals who face the greatest risk of the most serious outcomes if not served. Given the choice between making marginal improvements for individuals who are relatively stable and well off versus preventing death or significant harms to others, when we do not have the resources to do both, we believe that it is ethically incumbent upon us to attend to the needs of those who are worst off. This position is based both on a recognition that the Board plays an important role as a safety net provider, and is thus consistent with our mission, and also on the fact that we have already identified priority populations specifically based on the seriousness of the risks that those groups face.

In choosing to place highest priority on the value of equity, it is important to recognize that we are not completely ignoring the other relevant values. Efficiency and effectiveness will still play significant roles in our allocation decisions. For instance, it might be possible that a particular service could be provided that would generate true profit, such that by offering that service to individuals who produce a positive revenue stream to the agency that is fungible, increased resources would then be available to serve other individuals who would otherwise have no access to services. If such a scenario were available, then by choosing to be very efficient in the use of our resources, and by leveraging those resources, we could actually do more good for individuals who are least advantaged. In this situation, the potentially more advantaged but revenue producing individual is not actually in competition for resources with the less advantaged individual, since it is by serving the former that we are able to serve the latter. This would be a scenario in which being efficient with our resources increases our ability to be equitable and we believe that our funded organizations should seize all such opportunities.

Likewise with regard to effectiveness, there could be times when choosing an effective option also works to the advantage of equity. When we aim to increase the equity of our allocation decisions, we must take into account the likelihood of producing positive and measurable results. Our goal is to make decisions that are calculated to maximize the benefit to the least advantaged, and we cannot know if we are doing that unless we make judgments about the probable effectiveness of any particular program. Therefore, given multiple programs that each aim to target those at greatest risk, assuming that we have limited funding, we should choose that program that offers good evidence for its efficacy.

In summary of our overall position, we believe that the concept of equity should play heavily in prioritization decisions and that the values of efficiency and effectiveness should be applied in a supportive role of our efforts to be fair. One overriding concern that we recognize as a natural outgrowth of our commitment to fairness is that, in an environment of scarcity, the Board should attend most closely to the impact that a failure to fund a particular program is likely to have on those who are not served. Based on this perspective, it should become clear that equity demands that the Board serve those

individuals who face serious risks that cannot be mitigated in other ways. As a safety net provider, it is ethically appropriate for the Board to prefer to serve individuals who cannot access private insurance to receive alternative services, unless by serving individuals who do have strong revenue sources we can shift costs successfully enough to provide greater services to the uninsured or under-insured. In considering this example, we must consider only real and accessible alternatives. If an alternative exists elsewhere, and by referring clients out we can utilize our resources for those who have no other alternatives, then referrals should be made. If there is no real ability to access alternatives, or if by serving those who do have alternatives we can serve more individuals who have no alternatives, then we should provide the service ourselves. However, we should be clear that an individual who has a real option to access alternate sources of support and who *volitionally* refuses to do so shall be considered to have other options and will not be given high priority in Board programs. This principle will recur in many of the priority categories that are described below.

In order to clarify our priorities, the Stark County Board engaged in extensive discussions to determine what the basic function of the Board is, what the desires of governing bodies and the local electorate are, and under what mandates the Board operates. After careful conversation, the Board has determined that while it would like to fund all relevant and legitimate programs, it must prioritize its expenditures to A) satisfy legal/regulatory mandates and essential aspects of the organization's mission, and B) maximize equity. By increasing efficiency, we can certainly leverage the resources at our disposal, but when forced to make choices between deserving programs, we must consider our duty to serve as a safety net provider and to protect individuals and the community from the most serious risks first, before moving on to lower priority efforts. On that basis, the Board has adopted the following priorities.

PRIORITIZATION CATEGORIES

FIRST PRIORITY: SATISFYING MANDATES

True Mandates: Identify those services that we are legally required to provide and the degree to which we must provide them. Satisfy these mandates while recognizing that some requirements are merely contingent as opposed to absolute mandates, and many mandates do not specify minimum spending. It is also important at this stage to include consideration of mission-based functions of the Board that, even if not legally required, are essential to the character of the Board itself.

SECOND PRIORITY: RESPONDING TO URGENT RISK

Urgent Risk: If funds remain after supporting higher priority programs, fund those programs that would result in substantial and urgent harms if not funded. Urgent risk should be understood to mean that if the funding were removed, individuals would be at imminent risk of seriously harming themselves or others or would be exposed to potentially life threatening withdrawal from substances. When considering risk, it is essential to evaluate the degree to which individuals who are not served by programs that are funded by the Board might be able to find the needed services elsewhere. If services are available elsewhere or with alternate funding, then the need for Board funding should not be considered urgent.

THIRD PRIORITY: RESPONDING TO HIGH RISK

High Risk: If funds remain after supporting higher priority programs, fund those programs that would result in substantial but non-urgent harms if not funded. High risk should be understood to mean that if the funding were removed, individuals would be at risk of loss of basic self-care skills which would impair functioning, they would likely degenerate into the urgent risk category, or they would pose a general public safety risk. When considering risk, it is essential to evaluate the degree to which individuals who are not served by programs that are funded by the Board might be able to find the needed services elsewhere. If services are available elsewhere or with alternate funding, then the need for Board funding should not be considered high.

FOURTH PRIORITY: RESPONDING TO SERIOUS RISK

Serious Risk: If funds remain after supporting higher priority programs, fund those programs that would result in loss of function in the unspecified future. Serious risk should be understood to mean that if the funding were removed, individuals would be at risk of developing significant functional issues related to SPMI, SMI, SED and Severe SU such that, without intervention, their condition would likely degenerate into a higher level risk at some point in the non-imminent future. When considering risk, it is essential to evaluate the degree to which individuals who are not served by programs that are funded by the Board might be able to find the needed services elsewhere. If services are available elsewhere or with alternate funding, then the need for Board funding should not be considered serious.

FIFTH PRIORITY: RESPONDING TO IMPORTANT NEEDS

Important Needs: If funds remain after supporting higher priority programs, fund those programs that support other important goals. Important needs should be understood to mean that if the funding were removed, individuals would be at risk of degradation of their social functioning, higher cognitive development, and employment success. When considering risk, it is essential to evaluate the degree to which individuals who are not served by programs that are funded by the Board might be able to find the needed services elsewhere. If services are available elsewhere or with alternate funding, then the need for Board funding should not be considered important.

SIXTH PRIORITY: RESPONDING TO LEGITIMATE NEEDS

Legitimate Needs: If funds remain after supporting higher priority programs, fund those programs that support valuable goals for non-priority populations. Legitimate needs should be understood to mean that if the funding were removed, individuals would be at risk of experiencing poorer outcomes with regard to non-urgent risks associated with any of the issues outlined above.

ADDITIONAL CONSIDERATIONS

A variety of additional considerations will serve as an overlay to the above-delineated priorities in order to offer a more fine grained prioritization when multiple organizations compete for funds at a single priority level. These considerations will include the following:

- Higher priority will be given to programs that are not redundant with other similar programs.
- Higher priority will be given to programs that leverage outside resources in a way that maximizes the expenditures of the Board.
- Higher priority will be given to programs that can demonstrate an ability to coordinate services across organizations, programs, or needs in such a way that the overall efficiency of the expenditure is increased.
- Higher priority will be given to programs that are able to demonstrate that individuals served in a particular program are likely to experience reduced system dependence in the future.
- Lower priority will be given to funding any programs or services that organizations other than the Board are mandated to provide.
- Higher priority will be given to innovative programs that are evidenced based with regard to their ability to satisfy all of the other values listed in this document.
- Some percentage of funds might be separated from the general competition for funding and allocated based on a separate formula if the Board believes that certain activities are essential to the maintenance of the organization's mission even when those activities are not legally required. Examples of activity that might not be legally mandated but could be ethically binding based on other factors include the obligation to deliver services promised as part of lobbying for levies and a commitment to support prevention services for indicated and selected recipient groups.

THE MECHANICS OF ALLOCATION

The Mental Health and Recovery Services Board of Stark County intends to incorporate measures of the categories delineated above into the requirements for requests for funding. Programs and providers that can demonstrate the ability to satisfy high level priorities will be given preference over those that cannot. Transition to this prioritization of funding will take place over several funding cycles and will be staged to take advantage of diverting resources from under-performing programs and natural attrition.

This report was written by Michael A. Gillette, Ph.D. and is based on the consensus opinion of the Senior Management Team of the Stark County Board.