

Measuring and Assessing Costs:

Why All the Resistance?

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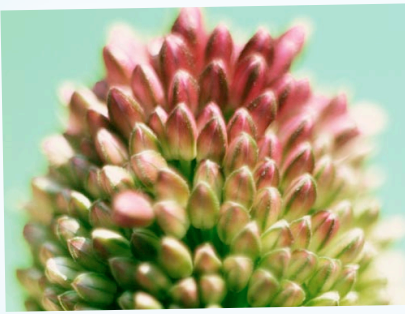
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Who's Here?

- ▶ Curiosity-seekers?
- ▶ Folks being evaluated for costs?
- ▶ Cost-inclusive evaluators?
 - ▶ who've experienced resistance--*big time*
 - ▶ group support!
 - ▶ those who are about do a cost-inclusive evaluation
 - ▶ we salute you!

Overview of Thinktank

- ▶ What it is....
- ▶ Topic of this ThinkTank:
 - ▶ What is resistance to cost-inclusive evaluation?
 - ▶ *Why* is there resistance?
 - ▶ **How** to solve resistance?
 - ▶ Solutions: How to advert, divert, and convert resistance?
 - ▶ Resistance as a birddog



What is cost-inclusive evaluation?

Goals of Cost Assessment

- ▶ cost of treatment, intervention, prevention
- ▶ also cost-y outcomes of treatment, intervention, prevention
- ▶ reduction in health services utilization
- ▶ how processes moderated costs and cost-y outcomes

Resistance? What resistance?

- ▶ Examples of resistance to cost-inclusive evaluation

Causes	Linkage to Solution	Examples
Lack of understanding of CIU	Educate, Identify ownership	Examples from their own experience
Fear! of change, loss of funding, of (more) work, heartpothesis disappointment, benchmarks	facilitate performance measurement, summative evaluation -> formative evaluation	phase-in evaluation; help evaluand prepare for evaluation: build rapport with client, with data, desensitization...
rational fear of... <i>not</i> cost uber alles... More balanced judgment		QALYs, CEA

Causes, Solutions II

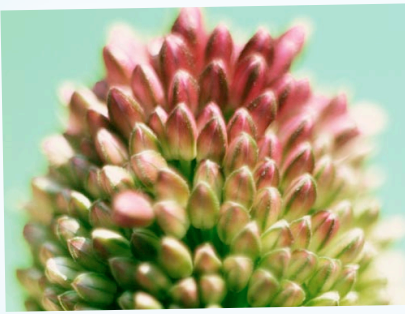
Causes	Linkage to Solution	Examples
perception of dishonesty, fostered by “cost,” heavy-handed regulation	Is this the best, most cost-effective way of doing it, in this context? success ...	

What people say to defer assessment of costs

- ▶ Costs are not important: they don't really matter
- ▶ Costs cannot be measured
- ▶ Costs should not be measured
- ▶ Costs are the same
- ▶ Costs are too different
- ▶ Costs don't matter
- ▶ Costs matter too much
- ▶ We don't need to measure costs until we've measured outcomes

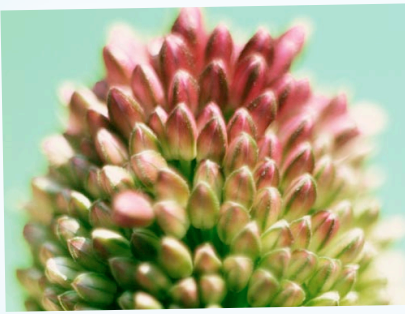
Resistance to CEA, CBA

- ▶ Triple-whammy evaluation
- ▶ Is it working?
- ▶ How much does it cost?
- ▶ Is that worth it?
- ▶ If Costs = Money, and money's not appropriate to mention in polite society...
- ▶ Is it a service, an entitlement, or an art form?
- ▶ “Service” as optional versus “Service” as needed



Why is there resistance?


Financial and Clinical Interpretations





*Understanding Resistance
from the inside ...
the case of symphonic evaluator...*

A not so hypothetical tale...

- The president of a large managed health care facility also served on the board of his community's symphony orchestra. Finding that he could not go to one of the concerts, he gave his tickets to the company's director of health care cost containment.



• The next morning he asked the director how he enjoyed the performance. Instead of the usual polite remarks, the director handed him a memo which read as follows:

- 
- 
- The undersigned submits the following comments and recommendations relative to the performance of Schubert's "Unfinished Symphony" by this city's symphony orchestra as observed under actual working conditions:*

Item #1

The attendance of the conductor is unnecessary for public performances. The orchestra has obviously practiced and has the prior authorization from the conductor to play the symphony at a predetermined level of quality. Considerable money could be saved merely by having the conductor critique the orchestra's performance during a retrospective peer review meeting.

Item #2

- *For considerable periods, the four oboe players had nothing to do. Their numbers should be reduced, and their work spread over the whole orchestra, thus eliminating peaks and valleys of activity.*

Item #3

- ✓ *All 12 violins were playing identical notes with identical motions. This is unnecessary duplication: the staff of the section should be cut drastically with consequent savings. If a large volume of sound is required, this could be obtained through electronic amplification, which has reached very high levels of reproductive quality.*

Item #4

- ★ *Much effort was expended playing 16th notes or semi-quarters. This seems an excessive refinement, as most listeners are unable to distinguish such rapid playing. It is recommended that all notes be rounded up to the nearest eighth.*
- ★ *If this is done, it would also be possible to use trainees and lower grade musicians with no loss of quality.*

Item #5

- *No useful purpose would appear to be served by repeating with horns the same passage that has already been handled by strings. If all such redundant passages were eliminated, as determined by the utilization review committee, this concert would have been reduced from 2 hours to about 20 minutes, resulting in substantial savings in salaries and overhead.*

Conclusion

* *In fact, if Schubert had addressed these concerns on a cost containment basis, he probably would have been able to finish his symphony!*



Good Reasons for Resistance

- ▶ Including costs could reduce someone's funding
- ▶ Including costs could reduce our funding

Understandable Reasons for Cost Resistance

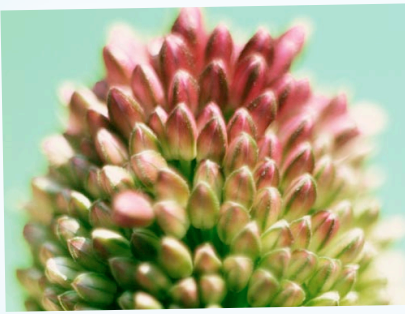


Regrettable reasons for cost resistance

► fear and loathing...

Understanding cost resistance

► Put yourself in their shoes...

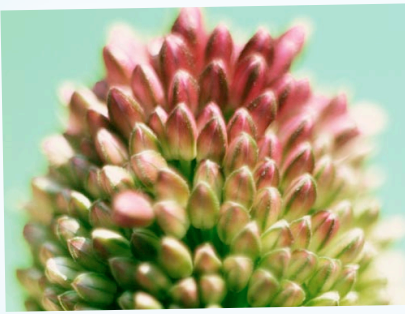


Solutions: How to advert, divert, and convert...

Resistance to Cost-Inclusive Evaluations

one way
to deal with
resistance





Is working with resistance worth it?

*Or, how to use resistance to **break through** in
an evaluation...*

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