

Peer Support Services

NC Results First Program Evaluation

Through the North Carolina Results First Initiative, the Department of Health and Human Services' Adult Mental Health Section (AMH) and the Office of State Budget and Management (OSBM) reviewed high-quality research evidence to determine the effectiveness of Peer Support Services.

Research evidence shows that Peer Support Services is effective at reducing psychiatric hospitalization and increasing employment.

AMH and OSBM also used benefit-cost analysis tools to estimate the program's return on investment.

Benefit-Cost Analysis

The analysis found that, on average, the value of expected benefits of \$4,767 per person exceed the program delivery costs of \$3,992 resulting in a net benefit of \$775 per person, a return of \$1.19 per dollar invested in the program. Accounting for variation in key estimates, there is a 65 percent chance that the benefits will exceed the costs.

A marginal cost analysis was conducted to determine the average per person cost of Peer Support Services. OSBM worked with AMH staff to compile billing data for Peer Support to determine the average number of units reimbursed per person and the average rate billed per unit.

Both group and individual Peer Support Services are available from providers, but individual services are most often used. On average, individuals utilize 308 units (77 hours) of individual Peer Support Services at an average cost of \$13 per unit. This results in an average cost of \$4,369 per person for individual Peer Support Services.

On average, individuals utilize 19 units (4.8 hours) of group Peer Support Services at a cost of \$3 per unit. This results in an average cost of \$55 per person for those services. The cost estimates were weighted based on relative utilization of group versus individual Peer Support Services for a final cost of \$3,992 per person.

Program Description

Peer Support Services reduces symptoms, promotes recovery, and increases functioning and community living skills among individuals with mental illness and substance use disorders.

Monetized Benefits

On average, for every individual who utilizes Peer Support Services, we can expect \$4,767 in total benefits over the lifetime of the participant. Of the total benefits per person, \$4,468 accounted for benefits stemming from higher labor market earnings, while \$118 accounted for cost avoidance related to a reduction in psychiatric hospitalization.

Reduced psychiatric hospitalization is measured by the program's impact on admission to a psychiatric ward or hospital. Monetization of the impact relies on statewide and national data on psychiatric hospitalization rates and average costs.

Increased employment is measured by changes in any employment, including part-time employment. Monetization of the outcome estimates increases in labor market earnings attributable to the program.

Benefit-Cost Summary (2020 Dollars)

Benefits per participant	\$ 4,767	\$ 1.19 per dollar invested Benefit to Cost Ratio
<i>Increased Employment</i>	\$ 4,648	
<i>Reduced Psychiatric Hospitalization</i>	\$ 118	
<i>Reduced Crime</i>	Unmonetized	
<i>Increased Global Functioning</i>	Unmonetized	
<i>Reduced Homelessness</i>	Unmonetized	
<i>Reduced Psychiatric Symptoms</i>	Unmonetized	65% Likelihood benefits will exceed costs
Costs per participant	\$ (3,992)	
Benefits less costs	= \$775	

Taxpayer gains from higher employment and reduced psychiatric hospitalization account for \$1,483 of the per person benefits. Higher earnings for participants account for \$3,262. Other benefits may include the benefits from employer-paid health care, or the economic benefits from a more educated workforce.

Benefits By Perspective	
Taxpayer	\$1,483
<i>Federal</i>	\$959
<i>State</i>	\$307
<i>Local</i>	\$216
Participants	\$3,262
Other^[1]	\$21
Total	\$4,767

Non-Monetized Outcomes

Outcomes related to reduced crime, measured by number of convictions, were not monetized for the program because of the lack of rigorous research evidence. The remaining outcomes not monetized in the analysis are difficult to quantify monetarily and were excluded.

However, benefits related to increases in global functioning, or how well individuals with serious mental illness have adapted to activities of daily life, had the greatest observed effect of all outcomes related to the utilization of Peer Support Services.

Recommendations & Next Steps

Expand Provider Training Opportunities

Given the strong evidence behind the effectiveness of Peer Support Services, AMH recommends additional providers across the state offer Peer Support Services. Peer Support Specialists are required to complete a 40-hour training program to become a Certified Peer Support Specialist. To ensure the training is accessible, AMH plans to direct more funding to cover provider training costs for all providers that do not currently offer Peer Support Services due to their lack of Certified Peer Support Specialists. AMH expects that eliminating training costs that must be covered by providers will promote expansion of providers across the state, increasing access for North Carolinians.

Track Program Outcomes

AMH does not currently track Peer Support Services client outcomes when it is delivered as a standalone program. AMH will explore how to track client program outcomes, including increased employment and reduced psychiatric hospitalization. Tracking outcomes will allow AMH to collect state-specific data and determine whether participants are achieving better outcomes as observed in the research literature

1. Benefits may include reductions in crime victimization, the economic benefits from a more educated workforce, and the benefits from employer-paid health insurance.