

# **How Profit Status Makes a Difference in the Delivery of Substance Abuse Treatment Services**

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# **Service Delivery of Substance Abuse Treatment in the Private Sector**

# **Significance of Studying Profit Status**

# Research Questions

- **Have the patterns of change over time for-profit private substance abuse treatment centers significantly differed from non-profit centers with regard to services offered, staffing patterns, organizational performance, and the adoption of treatment innovations?**
- **Are there significant mean differences between for-profit and non-profit private substance abuse treatment centers with regard to services offered, staffing patterns, organizational performance, and the adoption of treatment innovations?**

## **Methods**

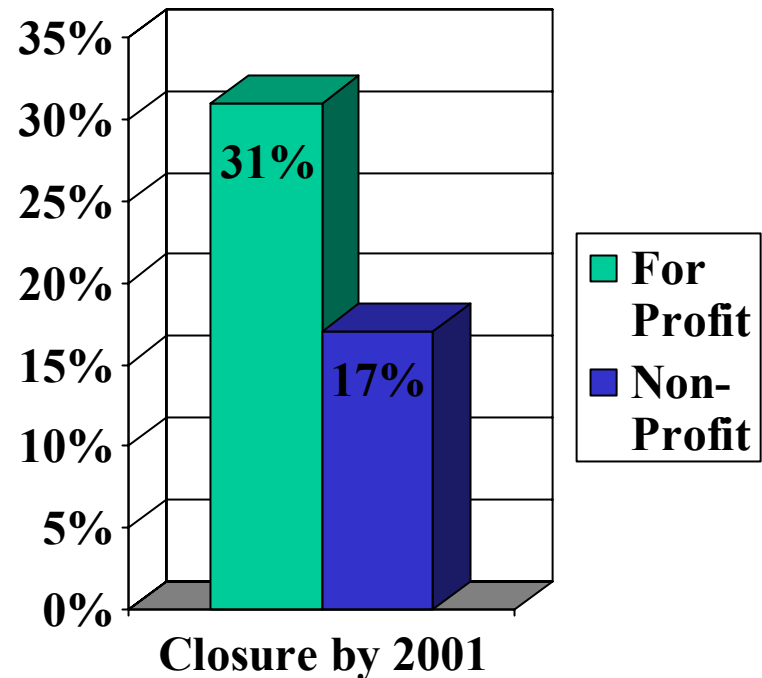
- **Nationally representative sample of privately funded substance abuse treatment centers**
  - Private centers receive less than 50% of their funds from federal, state, or local block grants
  - Data collected in 1995-1996, 1997-1998, 2000-2001
- **N = 303 centers still open at Wave 3**
- **Data collected during on-site interviews with administrators and clinical directors**
- **Use of repeated measures ANOVA to examine trends over time and mean differences by profit status**

# Measures

- ***Profit status*** (1 = for-profit)
- ***Levels of Care*** (adult IP, adolescent IP, adult psychiatric, adol. psych., partial hospitalization, intensive outpatient, outpatient)
- ***Specialty Tracks*** (for women, adolescents, HIV/AIDS, racial minorities, relapsers, impaired professionals)
- ***Staffing*** (Total FTEs, % M.A. counselors, % certified, % in recovery, % women, % minorities, counselor turnover)
- ***Client Demographics*** (% caseload women, adolescents, racial minorities, relapsers, court-involved clients)
- ***Client Reimbursement Sources*** (% covered by Medicaid, Medicare, self-paying, charity)
- ***Efficiency*** (clients per FTE)
- ***Capacity***
- ***Adoption of Innovations*** (current use of Naltrexone, LAAM, SSRIs, motivational enhancement therapy, motivational incentives, community reinforcement approach, music therapy, art therapy, acupuncture)

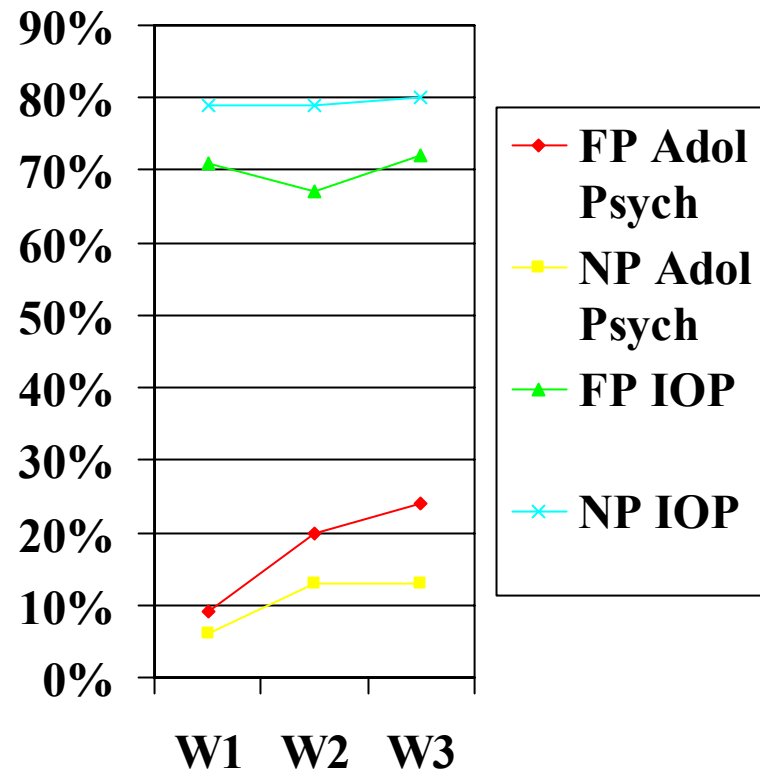
# Profit Status and Center Closure

- The percentage of for-profit centers decreased by 5 percentage points between 1995 and 2001
- This change is the result of significantly greater likelihood of center closure among for-profit facilities



# Levels of Care by Profit Status

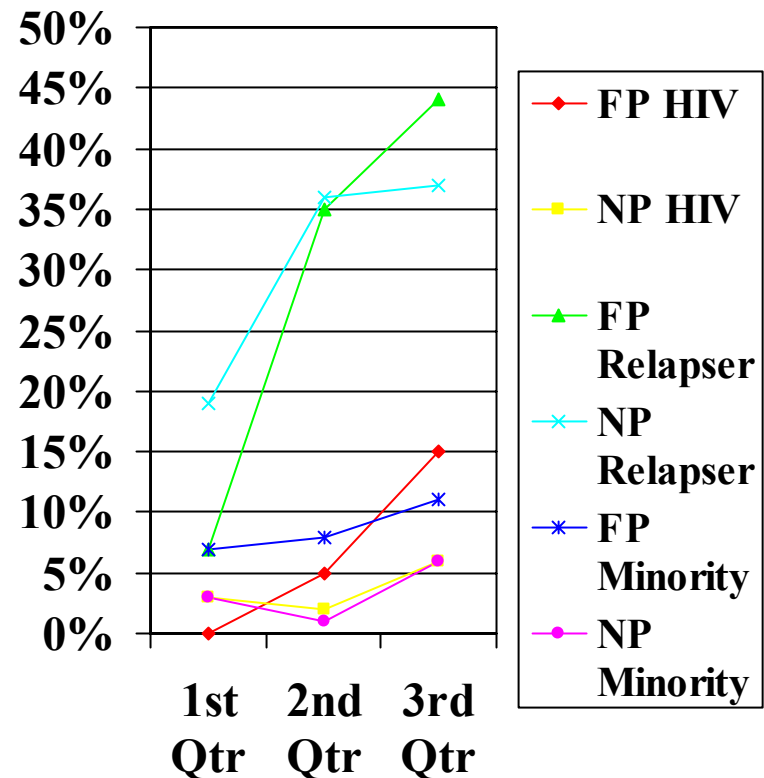
- **No profit status-by-time interactions for any level of care**
- **Two mean differences:**
  - For profit centers more likely to offer inpatient adolescent psychiatric level of care
  - For profit centers less likely to offer intensive outpatient level of care





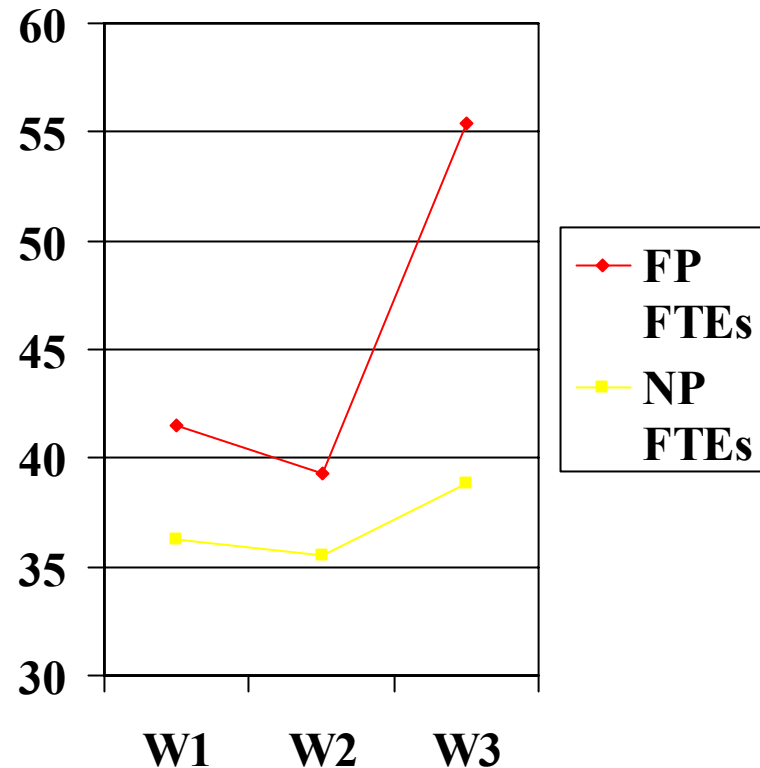
# Specialty Treatment Tracks by Profit Status

- **Two significant profit status-by-time interactions**
  - **Faster rate of adoption of HIV/AIDS track in for-profit centers**
  - **Faster rate of adoption of relapser track in for profit centers**
- **Two significant mean differences**
  - **For-profit centers more likely to offer a specialty track for racial minorities**
  - **For-profit centers more likely to offer an HIV/AIDS track**



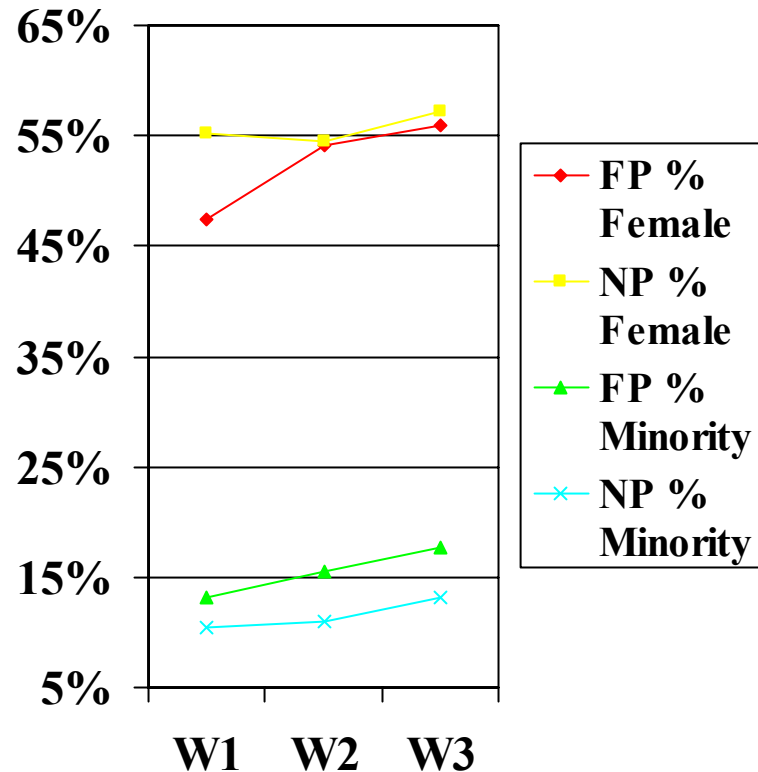
# Center Staffing Patterns: Size and Counselor Turnover

- **Significant profit status-by-time interaction for FTEs**
  - For profit centers grew in FTEs over time which non-profit centers stable
- **No significant differences in counselor turnover by profit status**



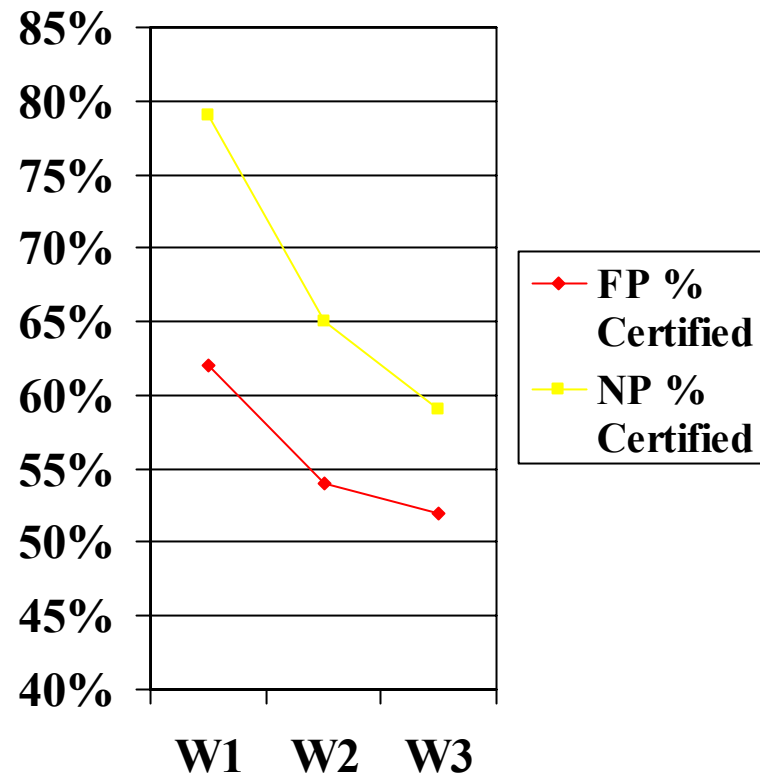
# Counseling Staff Diversity

- **Significant profit status-by-time interaction for percentage of female counselors**
  - The growth in female employment was significant greater in for-profit centers
- **While no interaction effect over time, there was a significant mean difference in the percentage of minority counselors**
  - For-profit centers averaged higher percentages of minority counselors



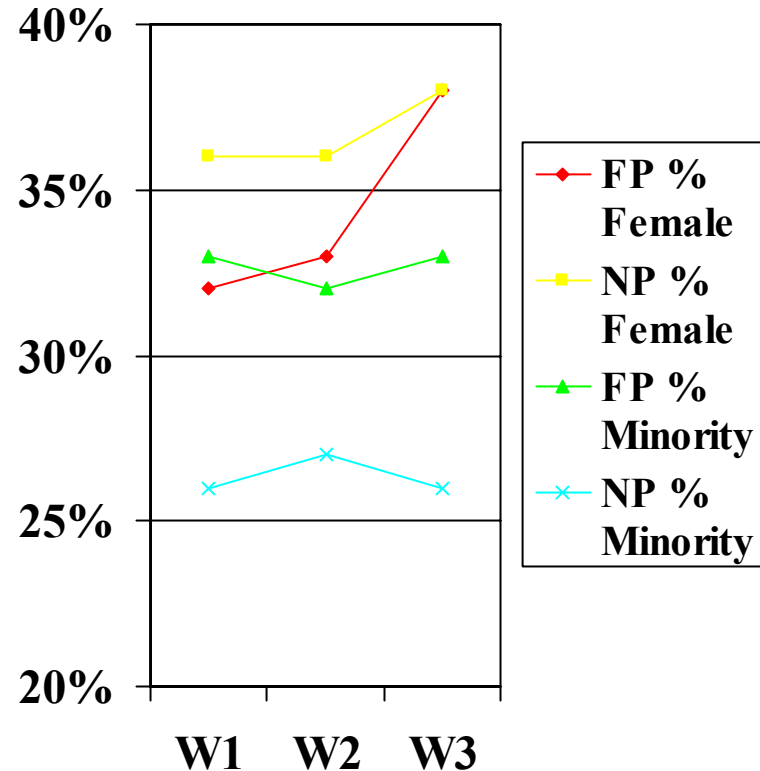
# Counseling Staff: Professionalization

- **No significant differences in % M.A. degree counselors by profit status**
- **No significant differences in % counselors in recovery by profit status**
- **Significant profit-status by time interaction for % certified counselors**
  - **Non-profit centers had steeper drop in % certified**
  - **For profit centers had significantly smaller % certified overall**



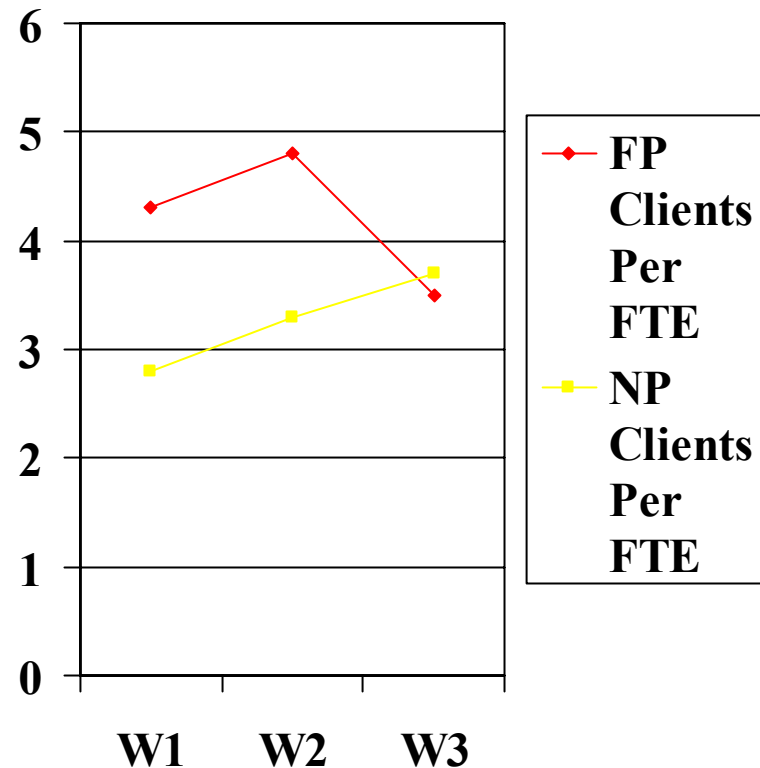
# Client Demographics

- **No significant differences in % of caseload who are adolescents, relapsers, or court-involved**
- **Significant profit status-by-time interaction for % female clients**
  - For-profit centers experience greater growth in % female clients
- **Significant mean difference in % minority clients**
  - For-profit centers treat greater % minority clients



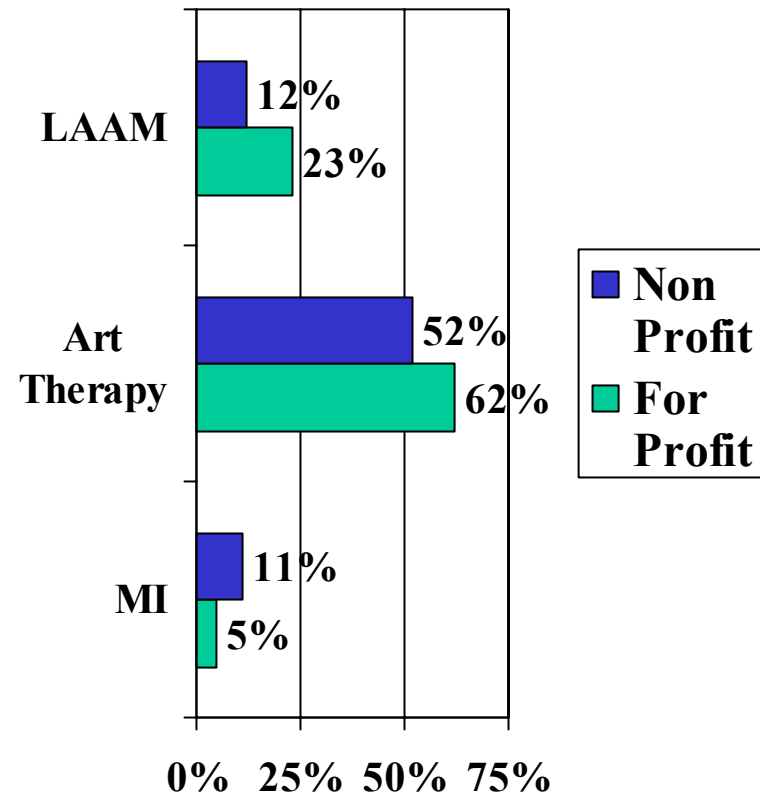
# Center Performance: Efficiency and Capacity

- **No significant differences in capacity by profit status**
- **Significant profit status-by-time interaction in efficiency**
  - **Clients per FTE increase and then decrease in for-profit centers over time**
  - **Clients per FTE increase in non-profit centers over time**



# Adoption of Innovations

- **Few significant differences in the adoption of treatment innovations by profit status**
  - **For-profit centers more likely to have adopted LAAM**
  - **For-profit centers more likely to have adopted art therapy**
  - **For-profit centers less likely to have adopted motivational incentives**



# **Summary of Findings**