

Cost Tool Intro

Background

The cost tool, [linked here](#), was developed to allow practices/clinics with a potential interest in the Healthy Weight Clinic (HWC) to better understand the financial considerations of implementing the HWC at their site. The tool was developed by a health economist based on previously published tools and specifically adapted for childhood obesity treatment and the HWC. The utility of the cost tool was subsequently supported during testing with HWC pilot sites, as part of the Childhood Obesity Research Demonstration Project 3.0.

Cost Tool Use

The cost tool provides a means of predicting the costs of implementing the HWC and the break-even or financial neutral point (# patients/time) that will likely be needed to sustain the HWC program at a given site. The tool helps sites estimate the cost of ongoing implementation of the HWC, once it is operational, including, e.g., total costs, average cost per patient, potential revenue generated or profit, and the break-even point (# patients at which costs=revenue generated). The tool does not include initial costs that may be required to establish a new HWC program (e.g., hiring, training, salaries/benefits for new employees, etc.). However, once the HWC is operating, the cost tool can also be used to estimate likely costs/revenues if specific operational changes were made (e.g., implement a new billing strategy or staffing model, etc.).

Required Information/Details

The following information (as relevant) is needed to obtain the most accurate estimates:

- Clinical team
 - Total number of clinical team members by role, salaries, fringe rate, and % of monthly time devoted to the HWC operations
 - Supply costs (computer, rent for physical space, office supplies, printing, etc.)
- Coding/Billing
 - Avg. number of billable HWC clinic visits per patient with a medical provider
 - Avg. number of billable HWC clinic visits with other clinical team members
 - Avg. number of HWC group visits (if delivered by a reimbursable provider)
 - Estimated pay mix of patient panel (% Medicaid vs private insurance)
 - Reimbursable services by HWC provider type and corresponding CPT code (E&M time-based codes for medical management [99211-99215], individual and/or group counseling codes for the RD or other staff, etc.)
 - Reimbursement rates for typically used codes (national avg. can be used, if necessary)
- Patients/Families
 - Avg. number of clinical visits (estimated or assumed based on current retention rates within the clinical setting)
 - Avg. number of group sessions (estimated or assumed based on current retention rates within the clinical setting)
 - Estimated number of eligible patients that can likely be served [1L5] over the course of a year given current staffing and other resources
 - Estimated maximum number of eligible patients that can be served annually



The more local/specific information is included, the more accurate the estimated outcomes will be.

We are happy to walk through this tool with interested teams. For additional assistance, please contact our team at hwc@aap.org.