



E001366

PROGRAM ANALYSIS MEMORANDUM

SUBJECT: Funding Duration of Operational Projects

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I. SUMMARY

RMP grant support of operational activities and projects has generally been understood to be limited in duration. This has been explicit or implicit in both grant requests and awards.

An analysis of the status of disposition of the 87 operational projects initially undertaken by six (6) Regions (Albany, Intermountain, Kansas, Missouri, Tennessee Mid-South, and Wisconsin) which were among the very first to achieve operational status (in 1967-8), reveals that less than 40 percent of their operational projects (35 of 87) have had RMP grant support terminated within three years or less; and, conversely, over one-third (31 of 87) are now in the fourth year of support. Other highlights are as follows:

- * There was a significant disparity between the estimated duration of required support as reflected in initial requests and the actual duration of support. Initial estimates suggested that over 90 percent of the projects (81 of 87) would require RMP grant support for only three years or less. Actually well over one-third of them (33 of 87) are (or were) funded into the fourth year.
- * About 67 percent of the projects supported (58 of 87) have required more grant funds than was initially estimated.
- * There are significant variations among the six Regions. Both Tennessee Mid-South and Kansas had much higher rates of termination of RMP grant support within three years (70 and 60 percent respectively) than the other four Regions.
- * There also are variations influenced by the kind of sponsoring institution and/or functional nature of the operational activity. For example, only 21 percent of the projects sponsored by medical schools have had project support discontinued within three years in contrast to 76 percent of those sponsored by community hospitals, and 72 percent of the patient care demonstration projects have had their grant support terminated within three years while only 37 percent of the training activities (broadly defined) had their support terminated.

II. DISCUSSION

The purpose of this analysis was to examine not only the actual duration, and amounts of project funding compared with initial regional estimates, but also to determine the disposition of projects after termination of RMP support. The data in these regards is summarized in the two attached tables. One is a "Comparison by Region" (Attachment A) and the other a "Comparison by Sponsorship, Functional Activity, and Disease Category" (Attachment B). Both compare estimated with actual figures; only the first also reflects disposition of projects.

A. Sources of Data and Method

Projects selected for this study were those initiated in the Albany, Intermountain, Kansas, Missouri, Tennessee Mid-South, and Wisconsin Regions during their first 18 to 24 months of operational activity. The large number (23) of projects for Tennessee Mid-South includes eleven (11) coronary care unit activities which constituted part of a network but were requested, identified, and budgeted for separately. The Missouri total includes eight (8) bioengineering projects which were initially requested and funded as separate entities, but were combined in the fourth operational year.

Data as to the requested and actual duration of funding and dollar amounts were drawn from initial and subsequent operational applications and grant awards. Card files, printouts and other data sources of the Grants Review and Grants Management Branches were also utilized as necessary. The current status of projects was determined by consulting subsequent applications, progress reports, and awards where possible. In some instances, it was necessary to telephone coordinators to establish or confirm this.

Regarding the comparison of years of support requested versus years of RMP support granted, it must be recalled that, for some early applications, RMPS rather strictly limited the number of years for which funding could be requested, usually three. Thus, the requested duration of support no doubt was shorter than the realistic estimates for some projects; and the data reflect this. It also should be noted that some of the award figures used (upon which are based comparisons of amounts requested versus awarded) include carryover in varying degrees. Thus, the number of projects in which the amount actually received was greater than initial estimates of requirements, is overstated to some extent.

In classifying project status, the designation "ongoing" was used where either funding of the original project was being continued or the original activity in large measure had been incorporated

into core or related new projects. Comparison of total funds awarded with totals requested only refers to funding for the original project, however (excluding funding for projects after incorporation).

Projects were classified by disease, functional activity, or sponsor in accordance with previous codings following an interim set of descriptors developed for the Management Information System.

B. General

As noted in the Summary, only 38 percent of all operational projects in the six Regions have been terminated within three years or less. This percentage understates the situation inasmuch as projects now in their first, second, or third year of support may be terminated in their current year. Table 1 below indicates, by Region, the breakdown of projects actually terminated by program year and those still ongoing.

Table 1

DURATION OF RMP SUPPORT

<u>Region</u>		Year				<u>Total No. Projects</u>
		<u>01</u>	<u>02</u>	<u>03</u>	<u>04</u>	
Albany	Ongoing in	-	1	-	3	(4)
	Terminated after	-	-	2	2	(4)
Intermountain	Ongoing in	-	1	4	9	(14)
	Terminated after	-	-	1	-	(1)
Kansas	Ongoing in	1	1	2	2	(6)
	Terminated after	5	3	1	-	(9)
Missouri	Ongoing in	-	2	2	11	(15)
	Terminated after	-	1	1	-	(2)
Tennessee Mid-South	Ongoing in	-	1	1	5	(7)
	Terminated after	-	-	16	-	(16)
Wisconsin	Ongoing in	-	2	3	1	(6)
	Terminated after	-	1	2	-	(3)
TOTAL	Ongoing	1	8	12	31	(52)
	Terminated	5	5	23	2	(35)

Not all of the project terminations to date have reflected regional initiatives. Often the initiative has come from the Federal level. In some cases Regions were in effect advised during the review process that certain projects would not be renewed beyond the current or subsequent year. In other instances, certain projects were disapproved (or approved but unfunded) by the Review Committee and Council.

The status of projects after termination, as a rough indicator of the acceptance and effectiveness of the "seed-money" concept of RMP funding is of particular importance. Of the 35 projects terminated to date, over one-half (18) were being continued with "other funding"; and almost one-third (11) were "completed" (one-time-only projects such as continuing education and training seminars). In only 6 cases was some "other disposition" such as the early termination and non-continuation of a project because of its limited effectiveness, noted or the project's status following termination "unknown".

The high rates of termination in both Tennessee Mid-South and Kansas are in part related to the nature of projects involved. Of the nine terminated projects in Kansas, six were requested for one year of funding only and were terminated on schedule. Five of these were seminars or workshops, and the sixth a special study.

In Tennessee Mid-South, eleven of the sixteen projects terminated made up a coronary care network -- requested for three years' funding and terminated on schedule. Most of the training and other costs which may have been involved are now being borne by hospitals or other local resources.

Analyses of the same projects by sponsorship, function, and disease category shows some definite, though not entirely unanticipated differences. Twice the number of projects were sponsored by medical schools (42) as community hospitals (21). Conversely, the rate of termination (in 3 years or less) for community hospital sponsored projects (76%) was more than three times that for medical school sponsored projects (21%).

From a functional standpoint there were twice as many training (38 which includes all three sub-categories) as patient care demonstration projects (18). The latter, however, were being terminated at about twice the rate as the former (72% compared to 37%).

III. COMMENTS AND CONCLUSIONS

The ability of Regions to terminate (or phase out) operational activities and projects within a relatively few years becomes particularly critical in a time when there are no additional funds. For it is only in this way, through turnover of existing grant funds,

that "new" monies will become available for re-investment in new and different activities.

The extent to which activities initially stimulated and supported by RMP grant funds are continued after grant funds are withdrawn, certainly constitutes one important albeit gross measure of a program's relative success (or failure). For unless meritorious activities can be continued after RMP grant support is terminated, either by having become self-sustaining or obtaining other support, little of lasting benefit or value has been achieved.

The early experience suggests that these six Regions overall have not been as successful in turning over funds in one set of operational projects for use in another as they perhaps might have been. In that sense, it is somewhat disappointing. There is, on the other hand, concrete evidence that individual Regions to a considerable extent can phase out support within three years and thus, in effect, free up funds for reinvestment. In that sense, it is encouraging.

The data also suggest that most activities for which RMP grant support has been terminated have been continued where appropriate. The stamina or staying power of such RMP initiated activities needs to be followed closely over the next several years.

FUNDING DURATION: COMPARISON BY REGIONS

REGION	• No. Opr. Projects	Total Years Support (Est. vs. Actual)								Actual vs. Est. Amt. of Support			Terminated			Continuing			• Percent Terminated (all years)			
		Requested				Awarded				• Percent Terminated in 3 Yrs. or Less	• Greater	• Same	• Less	• Percent Support Greater than Est.	• Completed	• Other Funding	• Other Disposition or Unknown	• Total		• Ongoing as Orig. Project	• Inc. in Core or Another Project	• Total
		1	2	3	4/4	1	2	3	4/4													
1. Albany	8	-	-	8	-	-	1	2	5	25%	6	-	2	75%	-	2	2	4	3	1	4	50%
2. Intermountain	15	-	3	12	-	-	1	5	9	7	15	-	-	100	1	-	-	1	9	5	14	7
3. Kansas	15	7	3	2	3	6	4	3	2	60	5	1	9	33	6	2	1	9	5	1	6	60
4. Missouri	17	2	1	14	-	-	3	3	11	12	12	2	3	71	1	1	-	2	11	4	15	12
5. Tenn. Mid-South	23	-	5	17	1	-	1	17	5	70	18	1	4	78	1	12	3	16	5	2	7	70
6. Wisconsin	9	-	1	6	2	-	3	5	1	33	2	-	7	22	2	1	-	3	6	-	6	33
TOTALS	87	9	13	59	6	6	13	35	33	38%	58	4	25	67%	11	18	6	35	39	13	52	40%

FUNDING DURATION: COMPARISON BY SPONSORSHIP, FUNCTIONAL ACTIVITY, AND DISEASE CATEGORY

Total Years Support
(Est. vs. Actual)

Actual vs. Est.
Amt. of Support
(Awards)

REGION	No. Opr. Projects	Initially				Actually				Percent Terminated in 3 Yrs. or Less	Greater	Same	Less	Percent Support Greater than Est.
		1	2	3	4/+	1	2	3	4/+					
		(Continued)												
A. Sponsorship:														
1. Medical School	42	2	5	30	5	1	6	12	23	21%	28	-	14	67%
2. Joint Medical School and University Hospital	6	2	2	2	-	2	2	2	-	67	4	-	2	67
3. Other University Health School	4	1	1	2	-	1	1	-	2	50	1	1	2	25
4. Voluntary Health Agency	3	1	1	1	-	2	2	-	1	33	1	1	1	33
5. Community Hospital	21	2	1	18	-	1	1	16	3	76	15	1	5	71
6. All Other, Including Combinations	11	1	3	6	1	1	1	5	4	9	9	1	1	82
B. Functional Activity:														
1. General Continuing Education	19	6	3	8	2	5	1	5	8	42%	12	1	6	63%
2. Training Existing Personnel in New Skills	16	-	5	9	2	-	4	5	7	19	10	-	6	63
3. Training New Personnel	3	-	-	3	-	-	-	3	-	100	1	-	2	33
4. Patient Care Demonstration	18	-	1	17	-	-	1	14	3	72	15	-	3	83
5. Combination Training and Patient Care Demonstration	10	-	1	8	1	-	1	5	4	20	7	-	3	70
6. R & D	12	1	-	10	1	1	-	3	8	17	9	-	3	75
7. Health Services Coordination	9	2	3	4	-	-	6	-	3	22	4	3	2	44

Actual vs. Est.
Amt. of Support

Total Years Support
(Est. vs. Actual)

REGION	No. Opr. Projects	Initially					Actually				Percent Terminated In 3 Yrs. or Less	Greater	Same	Less	Percent Support Greater than Est.
		1	2	3	4/4	1	2	3	4/4						
C. Disease Category:															
1. Heart Disease	28	4	22	2	2	-	3	17	8	54%	24	-	4	86%	
2. Cancer	14	2	8	1	2	2	2	7	3	43	7	1	6	50	
3. Stroke	6	-	4	-	2	2	2	2	1	33	4	-	2	67	
4. Related and Other Diseases	4	-	4	-	-	-	1	1	2	25	2	-	2	50	
5. Multi-categorical and Non-specific	35	7	21	3	2	2	6	8	19	26	21	3	11	60	
TOTALS	87	13	59	6	6	6	13	35	33	38	58	4	25	67	