HOLDING THE COURSE: STABILIZING BUSINESS OPERATIONS

June 20, 2019

Welcome and Introductions
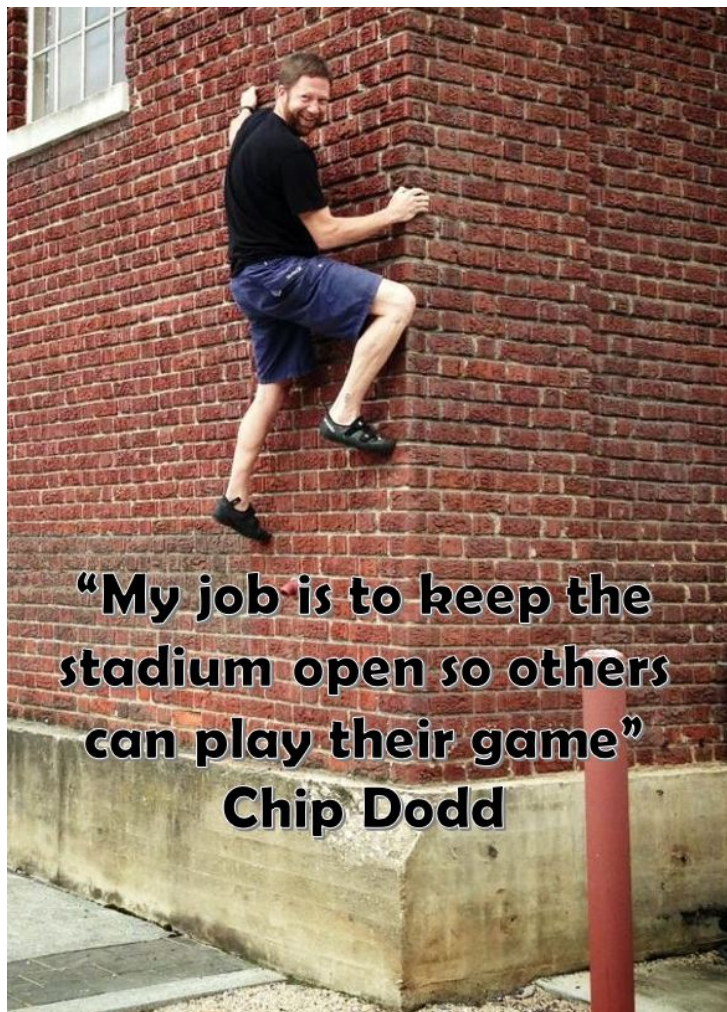
- Chip Dodd, President and CEO
  - Support Services of Virginia, Inc.
- Laura Vegas, MCO Business Acumen Director
  - National Association of State Directors of Developmental Disabilities Services (NASDDDS)

A Little Bit About Chip

"My job is to keep the stadium open so others can play their game"
Chip Dodd

- Chip has been majority owner, President and CEO since 2005. SSVA was founded in 1994.

- SSVA provides Group Home, In Home, Sponsored Residential, Day Support and Therapeutic Consultation to customers on the Virginia DD Waivers.

- The following presentation is the active strategy being used to improve SSVA's operational stability.

Lets First Define Instability

- Unclear systems and processes
- Poor communication up – down and side to side
- Lacking or disorganized technology
- Poor staff "pipeline"
- High staff turnover
- Inconsistent training
- Accounting that does not provide actionable information
- Leadership are not "plugged in" to changes in the field

Attributes of Operational Stability

- Stability is not binary. Think of it as a continuum.

- Entropy is a constant threat to operational stability.

- To maintain stable operations, leadership must develop a rhythm of reinforcing systems, processes and measurement.

- Leadership must identify and track key success indicators (KSIs).

- Process Maps are used to visually represent operations.

- Leadership must have a long term strategy to adapt to a constantly changing economy and regulatory environment.

Happy DSPs Make Happy Customers

- Identify the attributes of the "perfect" DSP.

- Develop a strategy to target and recruit perfect DSPs using a blend of technology and in person activities.

- Strategy should have at least two main "pitches". Making a positive and lasting impact on persons with disabilities as well as the typical job details.

- Develop a robust screening process to weed out candidates who are a poor match.

- Create a streamlined onboarding process (from the DSP perspective).

Retaining A Quality Team

- Keep the "Why" prominent
- Recognition systems
- Performance Based Culture
- People tend to appreciate knowing where they rank
- People tend to appreciate clear achievable goals
- Quality leaders who mentor & coach produce a quality team
- Robust communication systems
- Flexibility with schedule

Identifying Your "A" Players

		Low	High
Culture	High	B	A
	Low	C	T
		Low	High
		Productivity	

Systems and Processes

- Keep the "Why" prominent

- Learning Management System (LMS)

- Training, Systems and Processes available 24/7 in the cloud

- Multi modal options. Video, audio, checklist, written, etc.

- "Mobile First" strategy

- Mix of classroom and piggy back experiences

- Assure training is kept up to date and relevant
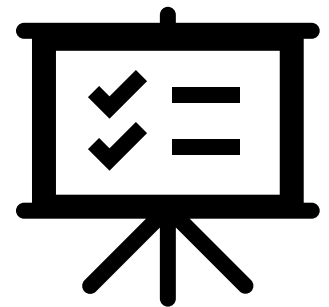
Analyze Your Tech Stack

- Digital / Electronic Health Records (Therap)

- Accounting (QuickBooks)

- Productivity (Office 365 – Word, Excel, OneDrive)

- Payroll (Paylocity)

- Time and Attendance (Paylocity)

- Scheduling (Paylocity)

- Applicant Tracking (Paylocity)

- Learning Management System (Moodle)

- Tracking Training (Therap)

- Project Management (SharePoint and Basecamp)

Finding Your Rocks

Big Rocks

https://youtu.be/8FbWb3f-jLQ

Finding Your Rocks

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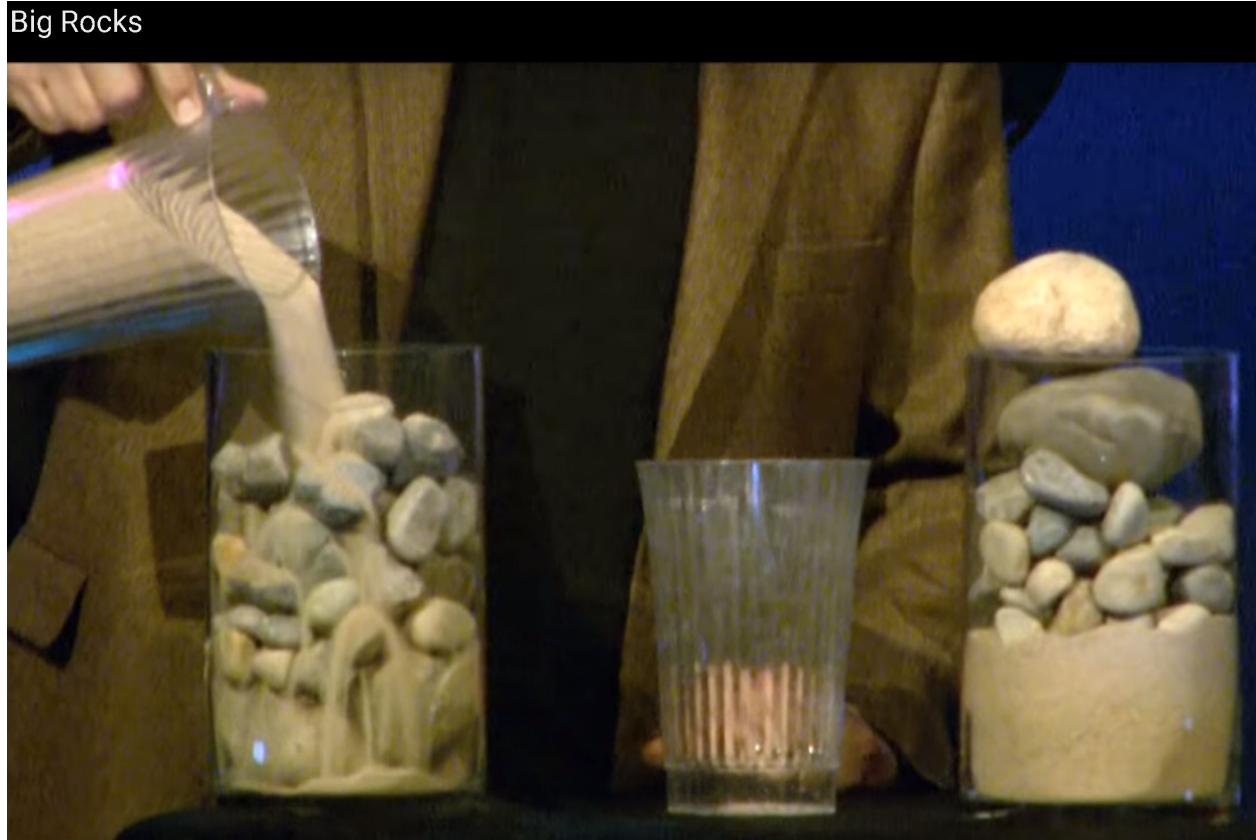
KPI 3x3

DSP Metrics

Customer Metrics

		Number of DSP's	Number of DSP Labor Hours	Total dollars paid to DSP's
	Number of Customers			
	Number of Hours Customers are Supported			
	Total Customer Billing Dollars			

Finding Your Rocks

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KPI 3x3

Customer Metrics

DSP Metrics

Critical Ratios	Number of DSP's	Number of DSP Labor Hours	Total dollars paid to DSP's
Number of Customers	Staff to Customer Ratio	Number of DSP hours per customer	Labor Cost per Customer
Number of Hours Customers are Supported	Customer support hours per DSP	Labor Hours Percentage	Labor cost per Hour of Support
Total Customer Billing Dollars	Customer billing per DSP	Income per hour worked	Labor Dollars Percentage

Finding Your Rocks

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Labor Hours Percentage

- Helps identify if the customers are receiving enough staff supports based on their individual needs
- Helps compare services or service locations in areas with different labor costs.

Finding Your Rocks

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Labor Dollars Percentage

- Helps identify if affordability of staff supports
- Helps determine if a service or location is financially viable
- Helps determine whether DSP and Mgmt. wages are appropriate relative to income.
- Helps determine if there is too much Mgmt. in a service

Finding Your Rocks

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Income Per Hour Worked

- Helps compare services or locations with differing labor costs
- Helps determine which services are more efficient or use less labor per $ earned
- Helps identify if a service or site is being correctly staffed.

Ratio's are meaningless unless tracked over time

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Overtime hours % by division
Huge spikes leading up to the 12/21/18 Payroll

Overtime Hours % in each division

Huge spikes on 12/21/18 Pay Period
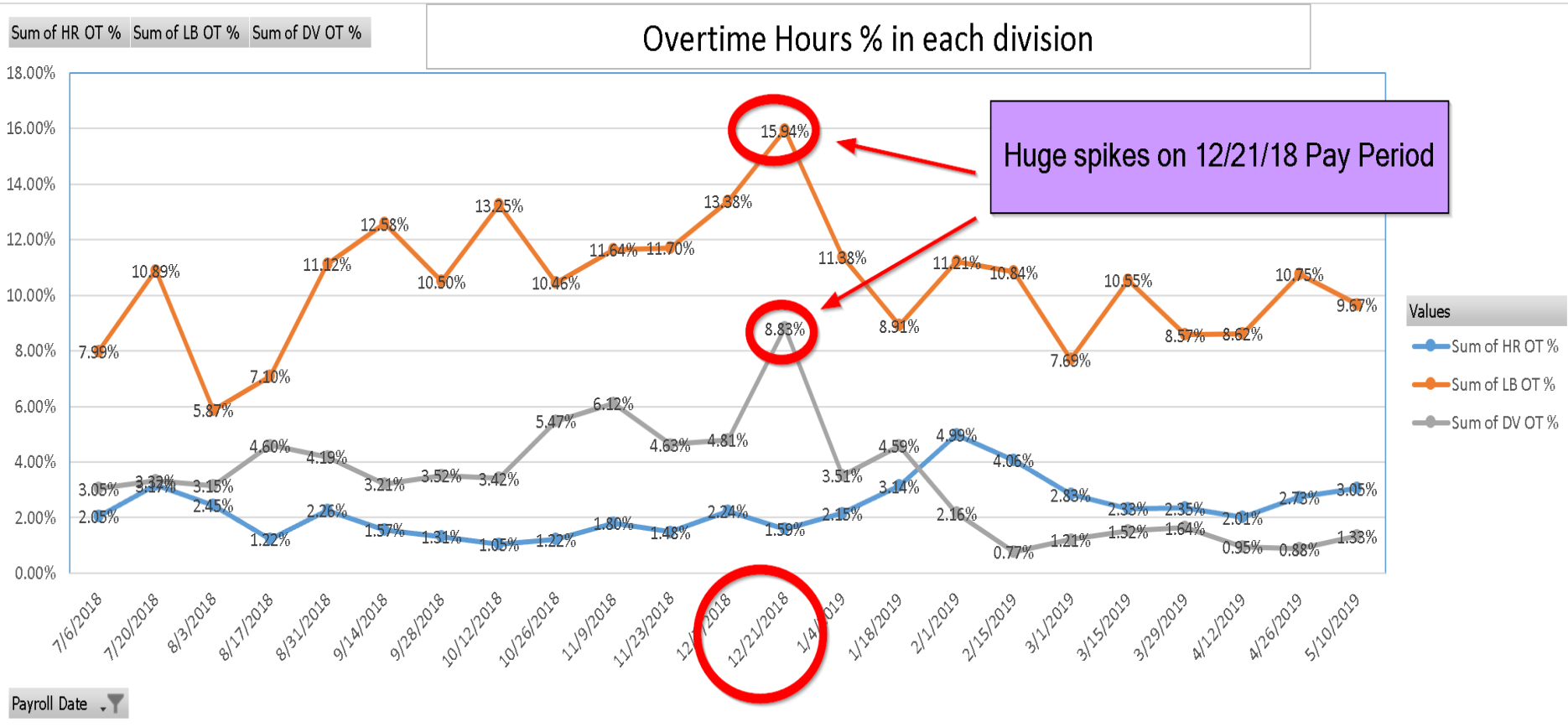
Convert OT Hours to the # of Full time employees needed to bring it to zero
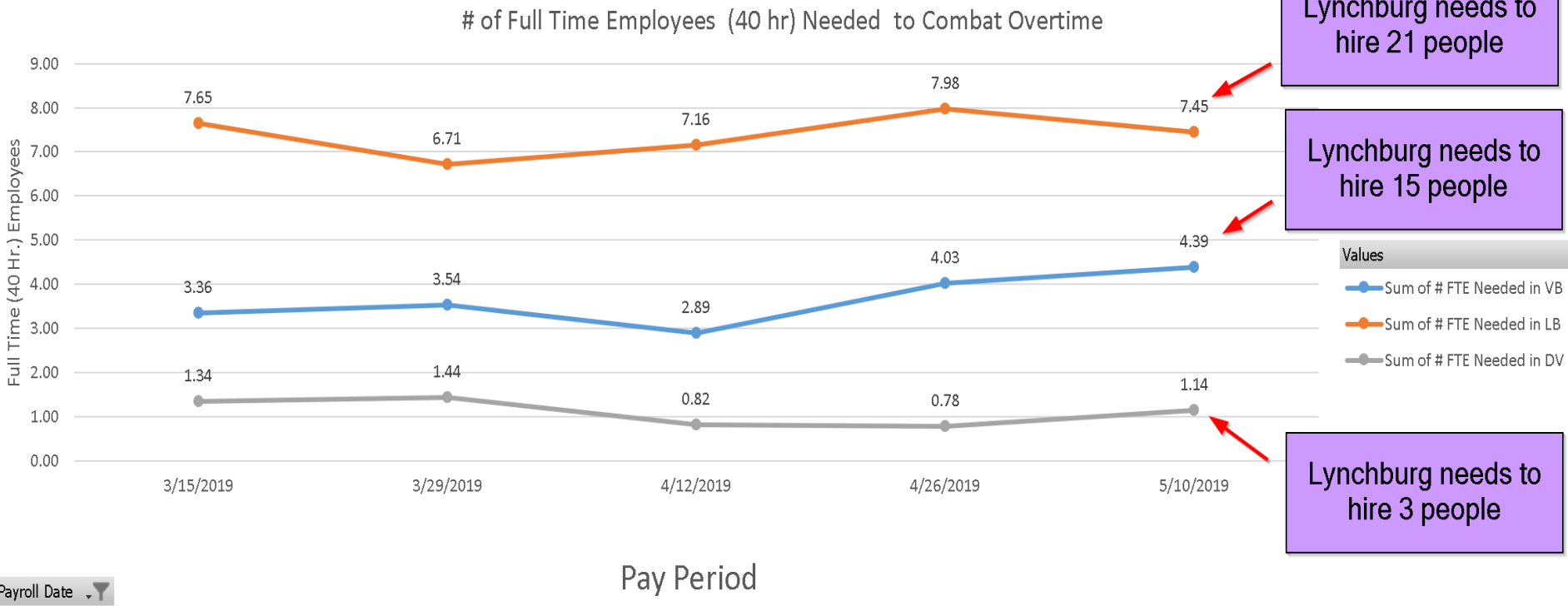
Top Labor Metrics We Track

- **Overtime hours % by division** – helps see how divisions perform relative to each other

- **Average hourly pay by division** – helps see the impact of raises and promotions

- **Payroll $ / Accrual Revenue $** - Labor dollars % (best way to track labor performance overall)

- **Income per regular and overtime hour worked** = Income per hour worked

- **Accrual profit by pay month (2 pay periods)** – less volatile than calendar months

- **Accrual revenue by pay month (2 pay periods)** – less volatile than calendar months

- **Total hours worked by division** – trend should match sales

- **Salary % by division** – tracks exec and admin staff growth

- **Hourly, OT and Salary hours change by division** – helps see the impact of onboarding or census changes

NATIONAL CORE INDICATORS (NCI)?

- NASDDDS, HSRI & State DD Directors
  - Multi-state collaboration of state DD agencies
  - Launched in 1997 in 13 participating states – now in 45 states (including DC)
- Goal: Measure performance of public systems for people with intellectual and developmental disabilities

www.nationalcoreindicators.org

Staff Stability Survey: WHY?

■ Lack of data about direct service workforce

    ▫ Data are needed to assess how state's DSP workforce is changing or improving and where challenges lie

    ▫ Standardized methods for collecting and calculating the data loan credibility to the final results

    ▫ Speaking as one voice is facilitated by collecting the same data

Examples of How States Might Use Staff Stability Data

■ The data from this survey can:

- ◘ Provide data to inform policy and program development at the state level

- ◘ Monitor and evaluate the impact of workforce policies and initiatives

- ◘ Identify strategies for improvement among provider coalitions

- ◘ Compare state DSP stability data with those of other states

National Core Indicators (NCI)

Tenure: DSPs employed at 12/31/17
(DSPs working in all three service types)

1

% DSPs employed LESS THAN 6 Mon.

19.5%

Range
14.8% to 26.2%

2

% DSPs employed between 6-12 Mon.

15.8%

Range
11.4% to 19.6%

3

% DSPs employed 12+ Mon.

64.7%

Range
56.6% to 72.0%

What does this mean?

- Almost 1/5 of current DSPs (as of 12/31/17) have been employed less than 6 months.
    - In some states, it's over a quarter of DSPs

- Next year we've added more tenure ranges to help identify the characteristics of agencies with longer tenure rates.

Tenure: DSPs separated 2017

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1

% DSPs employed LESS THAN 6 Mon.

32.3%

Range
22.8% to 42.4%

2

% DSPs employed between 6-12 Mon.

18.0%

Range
17.3% to 23.4%

3

% DSPs employed 12+ Mon.

37.6%

Range
22.9% to 59.4%

What does this mean?

- Almost 1/3 of separated DSPs had been employed less than 6 months.

- In one state, less than a quarter of all separated DSPs had been employed for 12+ months before leaving.

- Denominator includes those providers who had 0% turnover.

Wages shown: Percent above minimum wage

Chart legend:
- Under MW
- Equal to MW
- 0% - 20% Above MW
- 21% - 40% Above MW
- 41% - 60% Above MW
- 61% - 80% Above MW
- 81% - 100% Above MW
- 100%+ Above MW

States shown: AL, CT, GA, IN, MD, NE, OH, OR, SD, UT, NCI*
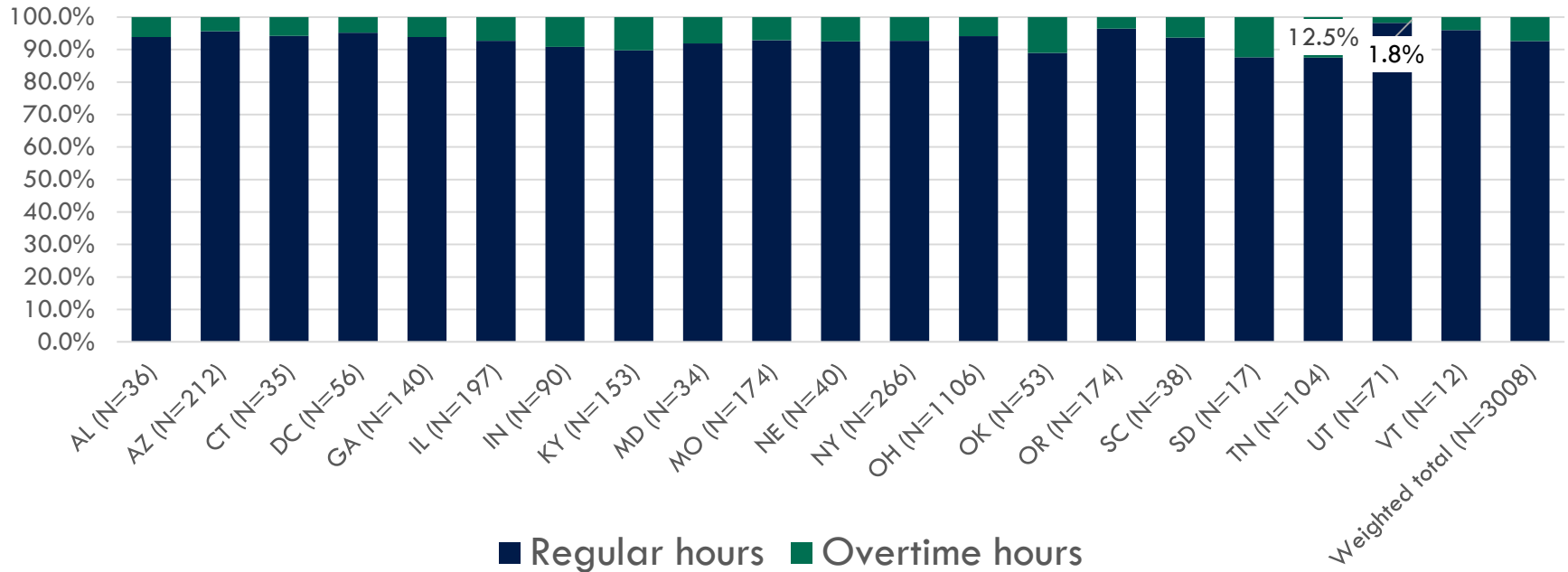
What does this mean?

- How are people being paid less than minimum wage?
    - People being paid rate per month, for example?

- Look at this info alongside vacancy rates

- Look at rate of voluntary separation

*NCI Weighted Average

% Regular and % Overtime Hours (Oct, 2017)

Chart: Stacked bar chart showing % Regular hours and % Overtime hours by state. States: AL (N=36), AZ (N=212), CT (N=35), DC (N=56), GA (N=140), IL (N=197), IN (N=90), KY (N=153), MD (N=34), MO (N=174), NE (N=40), NY (N=266), OH (N=1106), OK (N=53), OR (N=174), SC (N=38), SD (N=17), TN (N=104), UT (N=71), VT (N=12), Weighted total (N=3008). Callout labels: 12.5% and 1.8%.

Legend: ■ Regular hours ■ Overtime hours

The majority of DSP wages are not overtime hours.
- Look at overtime hours alongside vacancy rates.
- With high vacancy rates and LOW overtime hours, how is an agency covering the job of the vacant positions?

Benefits

This is a potential area of discussion with your providers.

Do they offer some form of Paid Time Off? If they do offer health insurance(s), what percentage of employees actually use them?

- 22.7% of responding providers offered pooled paid time off to some or all DSPs.
  - *Pooled paid time off → provider agency offers a bank of hours with no further delineation of the purpose or the type of time off.*
- Of those not using the pooled method:
  - **59.7%** offered **paid sick time** to some or all DSPs.
  - **64.6%** offered **paid vacation time** to some or all DSPs.
  - **30.4%** offered **paid personal time** to some or all DSPs.

- Among the responding agencies,
  - 71.7% offered health insurance to some or all DSPs;
  - 68.0% offered dental coverage to some or all DSPs; and
  - 55.6% offered vision coverage to some or all DSPs.

Thank You!

https://hcbsbusinessacumen.org

FOR MORE INFORMATION, PLEASE VISIT:

www.hcbsbusinessacumen.org

E-mail: businessacumen@nasuad.org

Or Call: 202.898.2583