

Benchmarking: How Does Your Organization Measure Up?



**2010 FADAA /FCCMH
Joint Conference**

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The Current Context for Benchmarking



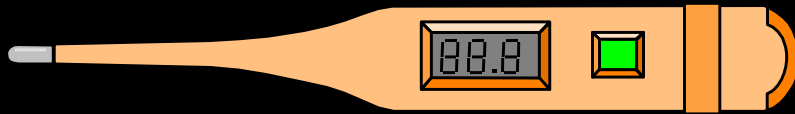
- Current economic conditions pose a grave threat to behavioral health, alcohol and drug, and human services providers throughout the United States
- All organizations need to deliver optimal financial, operational, and clinical performance to survive and thrive
- Benchmarking is one of the most potent and under-utilized management tools available

Why Benchmark?



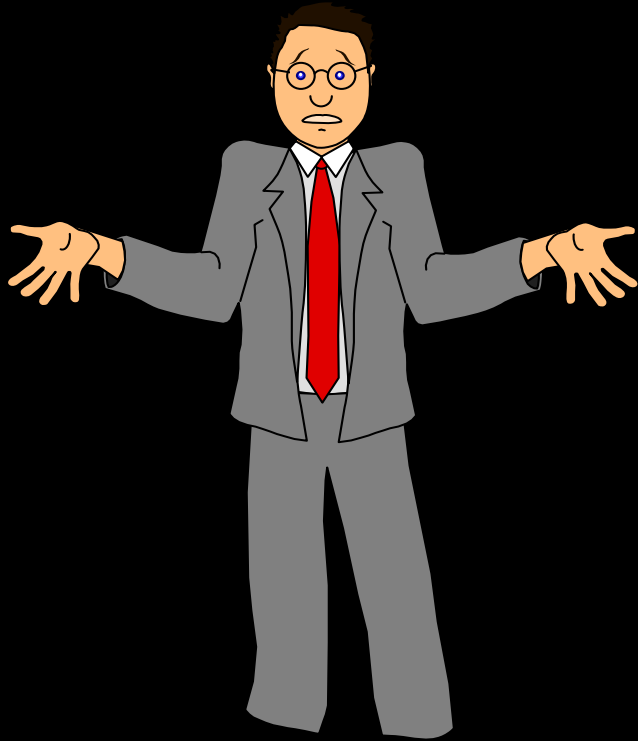
- Performance is measured in all organizations
- Clinical, operational and financial dimensions
- How helpful is performance data?
- Does data drive organizational decision-making?
- Does data drive organizational vision?

The Limitations of Performance Data



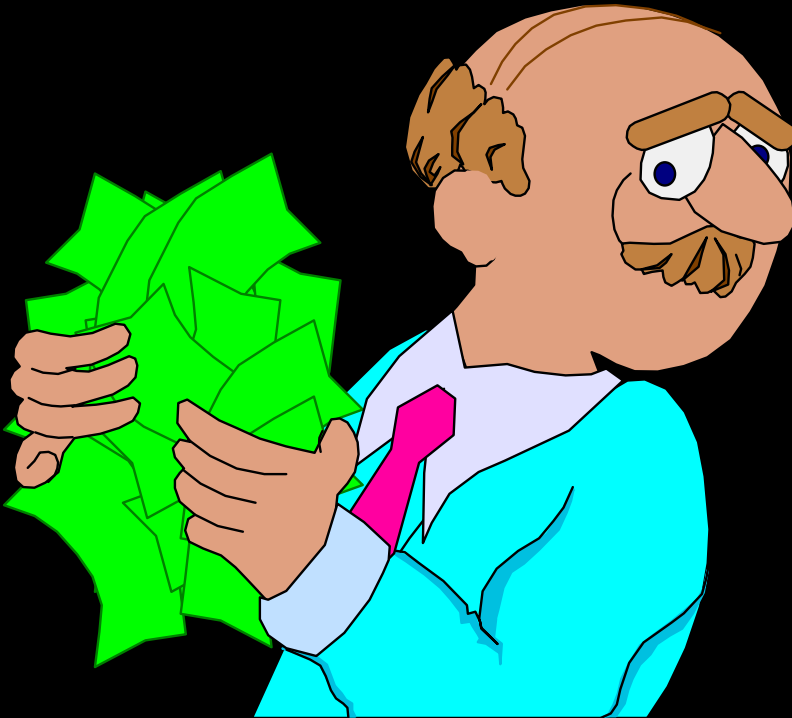
- A thermometer reading would have little value as a measure of your health...
- *If you didn't know that 98.6 is the “normal” temperature!*

The Limitations of Your Performance Data



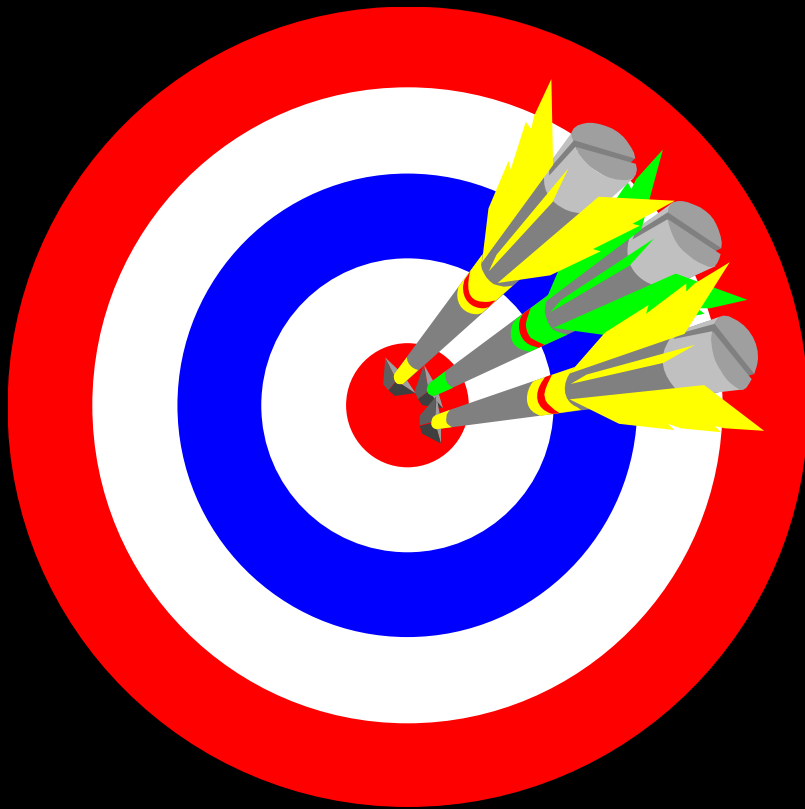
- Similarly, knowing that your no-show rate is 17% is of limited value in evaluating the health of your organization...*if you don't know how others are performing*

Data without Meaning



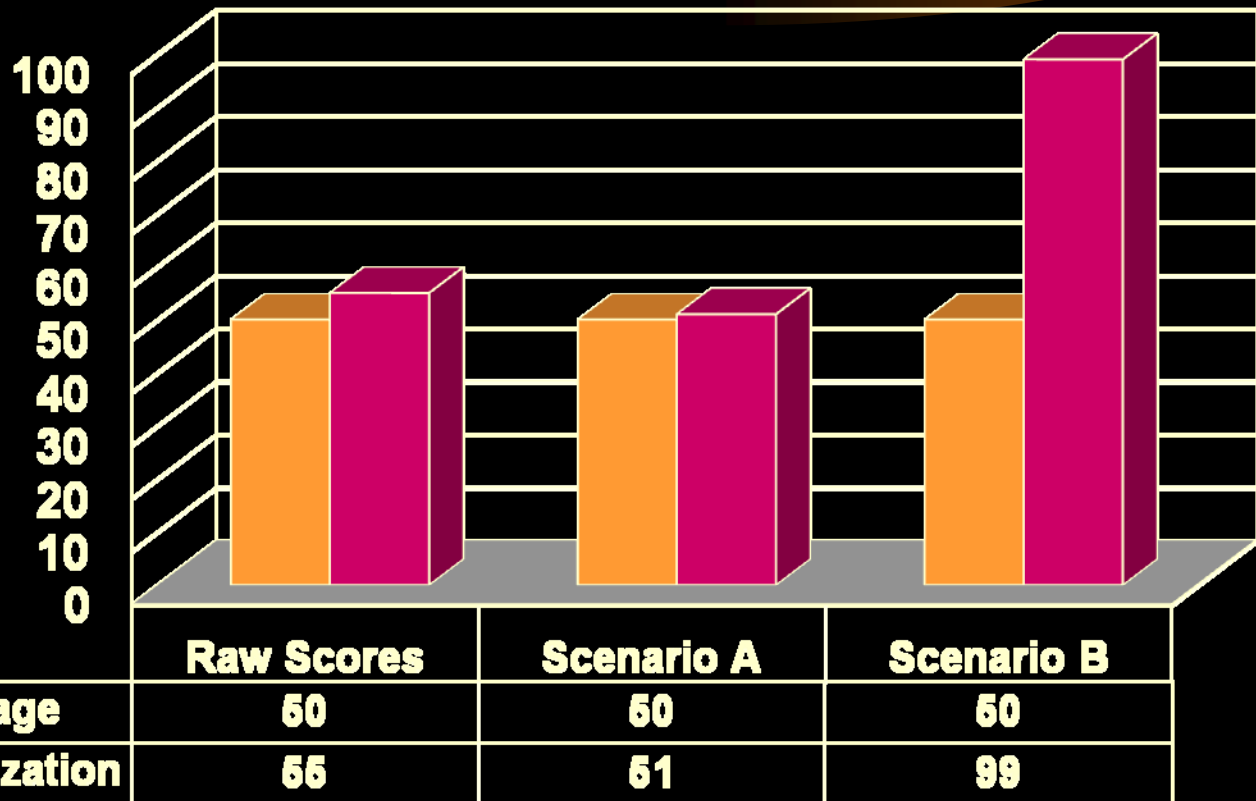
- We are deluged with data without meaning
- Data without a context may feel like a bunch of numbers
- What is the answer?

The Role of Benchmarking



- Benchmarking provides the vital external context for understanding your measured organizational performance
- Identifies organizational strengths and opportunities for improvement

Importance of Formal Comparative Benchmarks



Process Benchmarking



- Process benchmarking draws upon benchmarking data to identify potential best practices
- Achieved by comparing the practices of top performers with others
- Methods that distinguish top performers from others may be potential best practices

Process Benchmarking Insights: Outpatient Productivity

- Productivity is vital to financial survival
- Potential best practices identified include:
 - Centralized scheduling
 - Scheduling 30 hours per week per clinician
 - Regular, written productivity feedback
 - Providing incentives to do groups
 - Private-practice compensation model
 - Having clinicians call clients that no-show
 - Making reminder calls to reduce no-shows

Benchmarking and Performance Improvement



- How does benchmarking improve organizational performance?
- Human nature gives benchmarked data its power
- Nobody wants to “bring up the rear”
- Benchmarked data prompts action
- Helps identify and prioritize performance improvement
- Provides a realistic target

Benchmarking and Organizational Improvement



- Outpatient No-Shows
 - Provider discovered no-shows were high. Implemented three Best practices that reduced no-shows by 32%. Impact: Outpatient volume increased by 3,000, adding approximately \$180,000 to net margin
- Revenue Cycle
 - Observed pattern of high Days in AR, AR Over 90 Days and Bad Debt. Modified revenue cycle process. Impact: Bad Debt declined from 6% to 3%, AR over 90 Days was reduced from 28% to 18% and contribution to net margin increased by almost \$300,000

Benchmarking and Organizational Improvement (Continued)

- **Outpatient Productivity**
 - Regarded productivity level as OK until learning of levels achieved by others. Implemented 6 tactics learned through benchmarking. Impact: Annual productivity per FTE increased from 935 hours to 1,100 hours with \$240,000 bottom line improvement
- **Staff Retention**
 - Overall turnover was satisfactory. But benchmarking revealed marked turnover problem with bachelor's level clinical staff. Implemented methods of top performers and retention of Bachelor's Level staff increased from 55% to 78%. Estimated savings in recruitment and other personnel costs was \$120,000

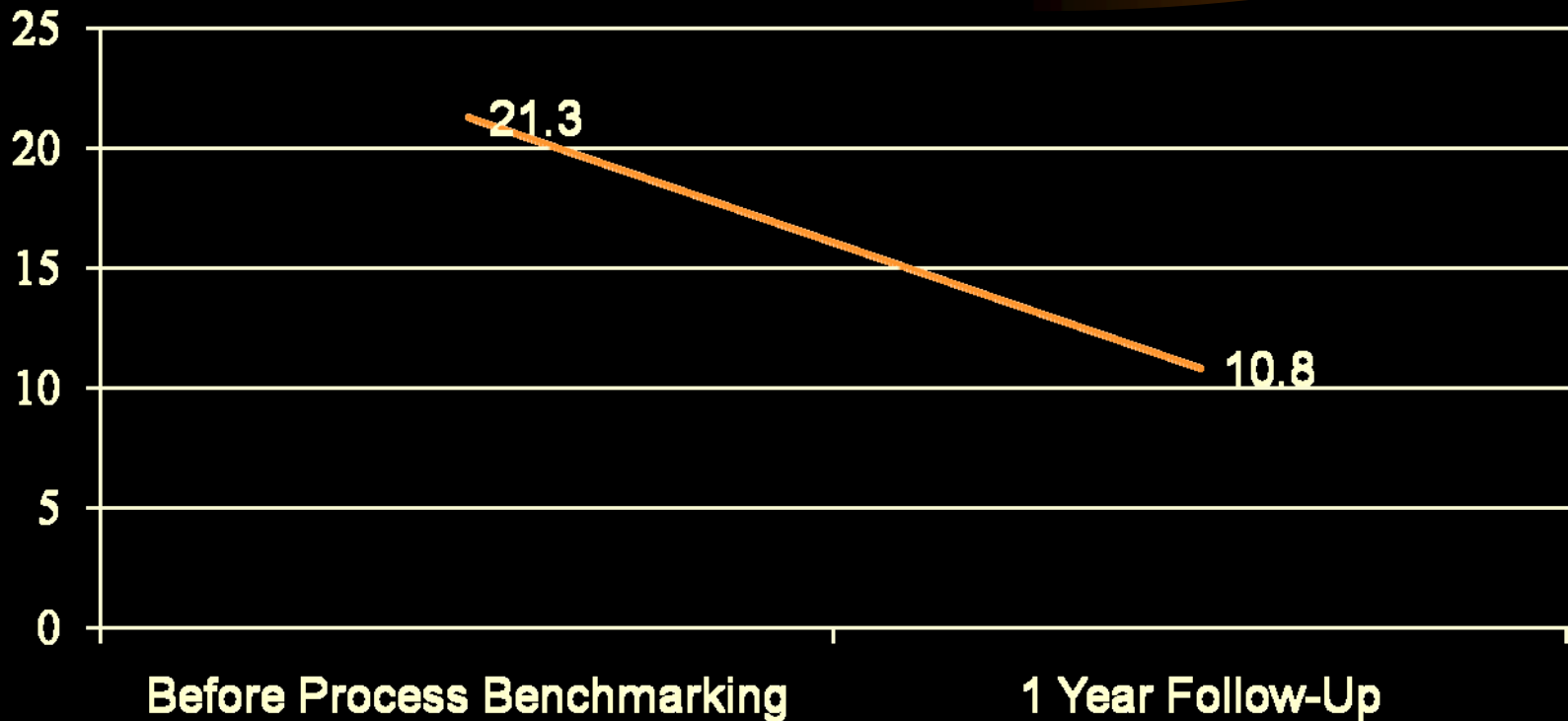
Benchmarking and Organizational Improvement (Continued)



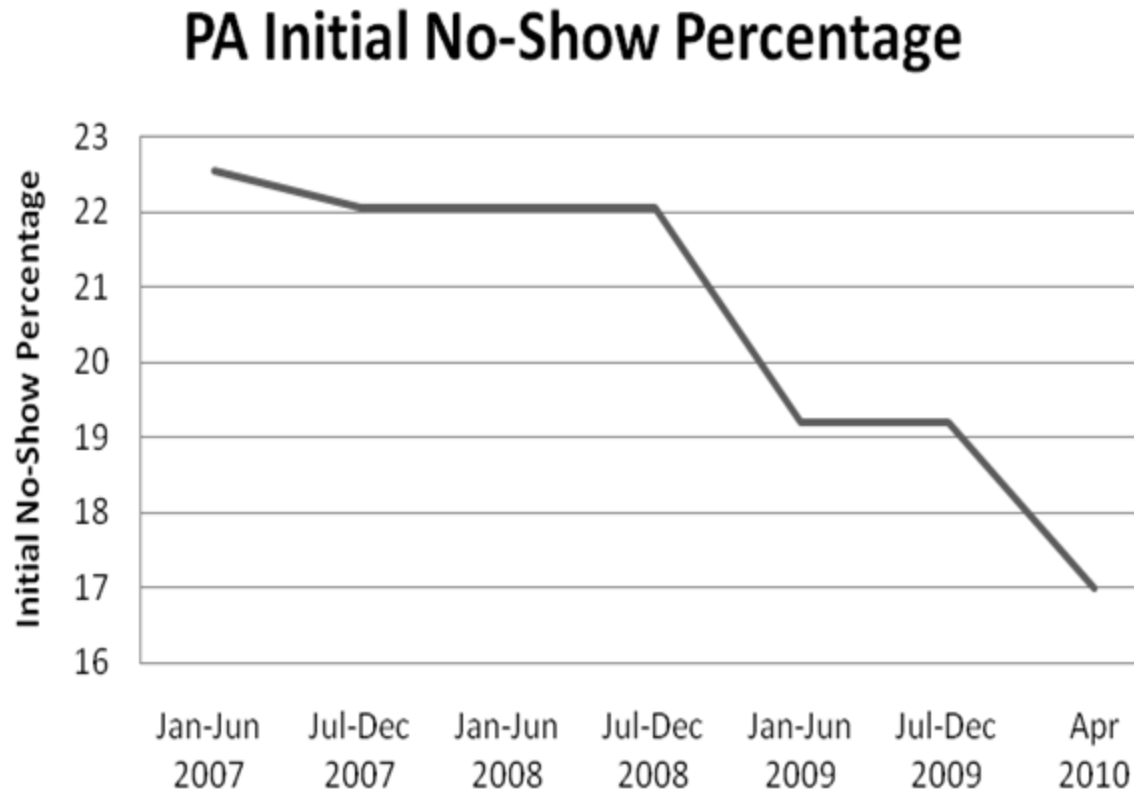
- Restraints in RTC
 - Unaware of high rate in youth RTC
 - Introduced “top-down” actions including extra training, observation, coaching, documentation, and others
 - Restraint occurrences dropped by 90%

Statewide Success Stories-Access

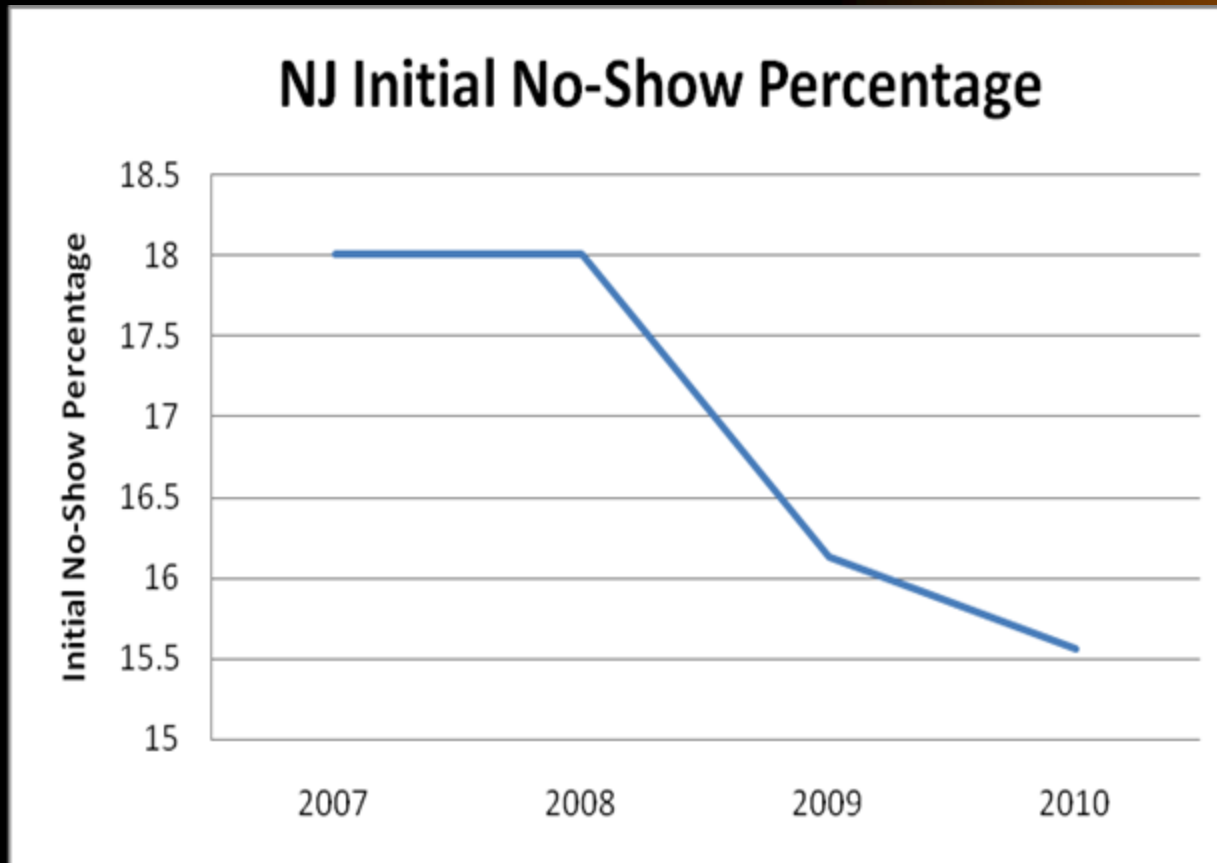
Access



Statewide Success Stories- Initial No-Show Rate-PA



Statewide Success Stories- Initial No-Show Rate-NJ



The Pursuit of Benchmarking



- Benchmark data has historically been difficult to obtain
- Expensive when available
- BPS has partnered with behavioral health and addiction associations around the US to make benchmarking affordable and accessible

Benchmarking Initiatives

- National Council for Community Behavioral Health Care
- State Associations of Addiction Services
- NIATx
- Alliance for Children and Families
- Association for Ambulatory Behavioral Healthcare
- Georgia Association of Community Service Boards
- Alabama Council of Community Mental Health Boards
- Pennsylvania Community Providers Association
- New Jersey Association of Mental Health Agencies
- Community Behavioral Health Association of Maryland
- Community Behavioral Health Association of Illinois
- South Dakota Association of Youth Care Providers
- Michigan Association of Community Mental Health Boards
- California Council of Community MH Agencies
- California Alliance of Child and Family Services

Objectives



- Provide data that the sponsoring association can use to advocate for its members and those they serve
- Provide individualized benchmarking reports to participating organizations that permit them to gauge their performance against others in the state and throughout the U.S.
- Support organizational improvement by identifying potential best practices

Benchmarking Initiatives Available to Florida Providers



- Benchmarking for Organizational Excellence in Addiction Treatment Initiative co-sponsored by SAAS, NIATx and BPS
- Mental Health Benchmarking Initiative as part of a network of initiatives in collaboration with the National Council for Community Behavioral Healthcare

Benchmarking for Organizational Excellence in Addiction Treatment Initiative

- Ongoing initiative
- 21 benchmark dimensions; 150 input metrics
- Clinical, operational, financial, organizational climate
- Florida spin-off initiative can be established at no additional cost if at least 10 providers participate (FADDA would co-sponsor)

Operational Benchmarks



- Initial Access
- Length of Stay/Utilization, by Level of Care
- Subsequent Access (Number of days from intake to first treatment appt)
- Average Caseload Size of Clinician, by Level of Care
- Outpatient Productivity
- Average Group Size

Clinical Benchmarks



- Engagement/Retention, by Level of Care
- Outpatient No-Show/Cancellation Rates
- Client Satisfaction/Perceptions of Care
- Degree of Engagement with Recovery Support Services
- Involvement of Significant Others

Organizational Climate



- Staff Morale/Satisfaction (25 Item Measure and automated administration and scoring to be provided)
- Staff Retention/Turn-Over
- Percent of Staff Position Vacancies (Counselors)

Financial Benchmarks

- Cost per Unit of Service, by Level of Care
- Salaries, by Role
- Administrative Overhead as a Percent of Total Expenses
- Payer Mix
- Current Ratio (Assets Divided by Liabilities)
- Net Days in Accounts Receivable
- Days of Cash on Hand

Mental Health Benchmarking

- No standardized national survey due to state differences
- Initiative would be customized around the unique needs of Florida providers
- FCCMH Steering Committee would select metrics
- Typically 20-25 benchmark areas

Data Submission

- On-line benchmarking survey
- Aggregated anonymous data-no complicated encounter-level data
- No software needed
- User-friendly, encrypted and secure
- Quarterly submission-Available 24/7
- Submit relevant and available data--no reporting requirements
- State-of-the-art on-line data validation

Reporting

- Easy to use reports provide normative data and comparative data for each metric
- Comparison groups: Apples-to-apples percentile comparisons with like agencies
- Separate reporting for satellite locations
- Reports are anonymous
- National comparisons
- State comparisons provided at no extra cost with at least 10 Florida providers

Standard Benchmarking Report

Demonstration Benchmarking Report Overall Organization



Sample Size	Standard Deviation	Mean	Median	Current		Comparison Group			Previous	
				Score	Overall Percentile	Setting: CMHC	Geographic: Urban	Budget: Less than 5M	Score	Overall Percentile
FINANCIAL BENCHMARKS										
Current Ratio										
31	.82	3.00	2.78	2.05	19.35 ▼	56.90 ■	47.76 ■	21.28 ▼		
Percent Operating Revenue by Payer Source										
% Medicare										
31	4.28	3.59	.00	10.00	**	**	95.74	**		
% Other (including Self-Pay)										
31	26.53	30.41	17.82	6.00	12.90	56.45	60.99	43.40		
Percent of Accounts Receivable Over 90 Days										
20	4.30	20.81	21.00	14.00	5.00 ▲	23.81 ▲	33.33 ■	18.18 ▲		
ACCESS BENCHMARKS										
Access to Outpatient Services										
Number of Calendar Days Between Request for Intake and Date of Appointment-Adult										
17	.69	3.18	3.20	3.20	64.71 ■	9.09 ▲	7.26 ▲	18.92 ▲		
Number of Calendar Days Between Request for Intake and Date of Appointment -Youth										
20	.59	2.82	2.78	2.70	45.00 ■	8.89 ▲	5.08 ▲	13.89 ▲		

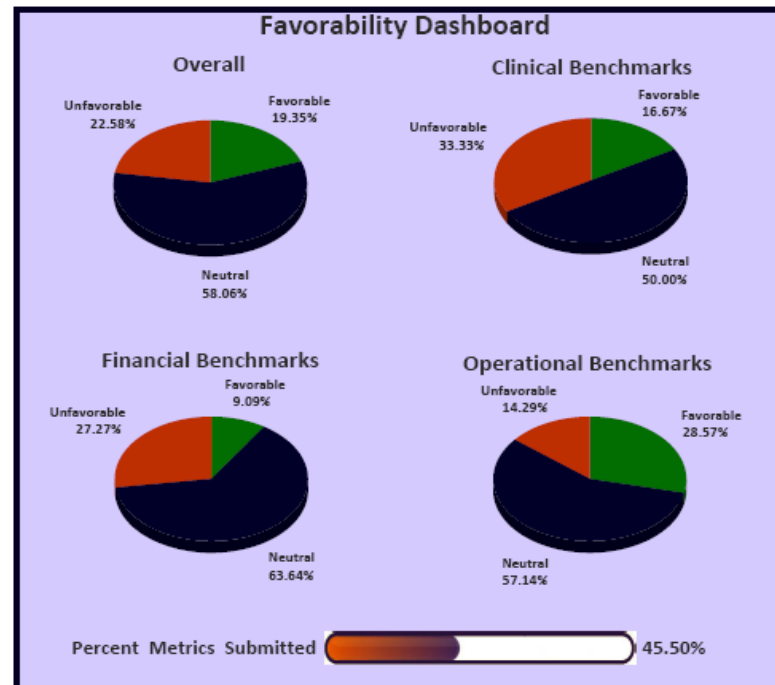
** Percentile ranking not reported due to a median value of .0000
Created on June 21, 2008

Executive Summary Report

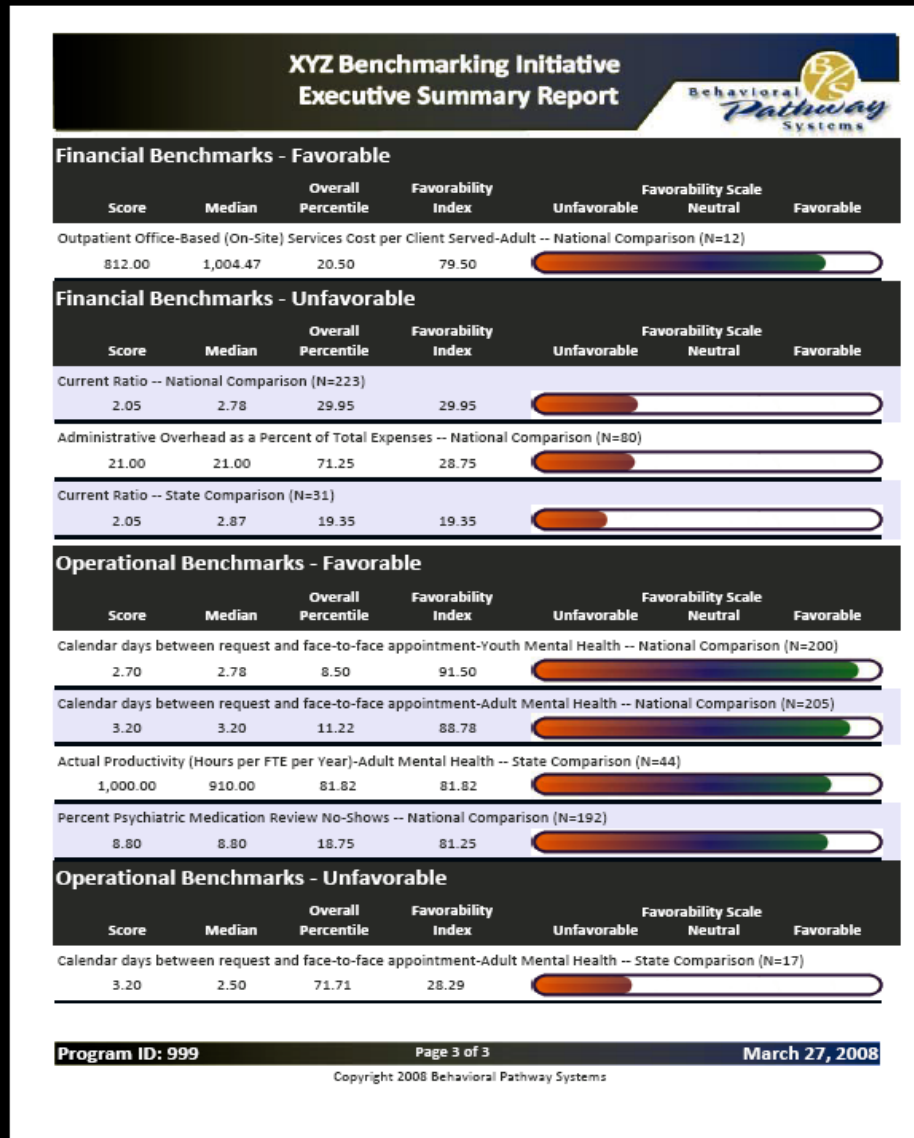
XYZ Benchmarking Initiative Executive Summary Report



This Executive Summary Report presents key comparative benchmarking data that profiles your organization's performance against both state-wide and national norms. Benchmark data based on national norms is identified by (National Comparison) appearing after the benchmark name. To bring focus to "outlier" performance, this report is limited to favorable and unfavorable benchmark findings of 70thile or higher or 30thile or lower. For a full report containing all metrics, please refer to the Standard Report. A Favorability Dashboard appears below which contains pie-charts that summarize the distribution of favorable metrics, unfavorable metrics, and neutral metrics, broken out by functional domain (financial, operational, and clinical). Below that is a gauge that illustrates the percent of available metric fields that were populated with data.



Executive Summary Report II



Organizational Climate Report

Organizational Climate Survey Report



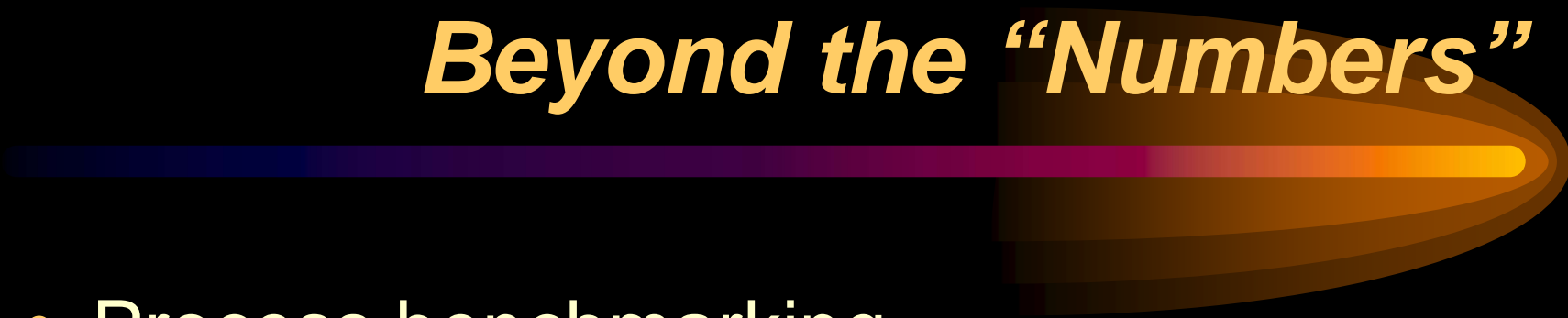
Sample Organization

Reporting Period: July 1, 2009 - September 30, 2009

Section I: Overall Comparisons

	Your Mean	Group Mean	Percentile Ranking	Standard Deviation	Number of Organizations	Number of Respondents
Staffing/Co-Workers	75.0	41.7	100	31.8	6	92
1. My co-workers cooperate well with one another	81.3	63.2	100	18.9	6	89
2. We have an adequate number of staff to do our jobs	60.9	53.5	100	25.2	5	92
3. My co-workers treat one another with respect	82.8	67.5	100	14.7	6	90
Recognition and Growth	71.7	53.5	60	31.1	6	89
4. I receive praise or affirmation for doing my job well	69.4	60.2	50	22.5	5	88
5. Others here help me to feel proud of my work	69.4	61.0	60	18.4	6	89
6. There are good opportunities here to learn and grow	76.1	61.5	100	19.2	5	89
Leadership	71.0	45.2	100	31.3	6	92
7. Senior leadership is committed to high quality care	76.0	64.6	100	19.9	6	89
8. My direct supervisor shows interest in me as a person	77.1	62.2	100	23.0	5	92
9. Leadership keeps us well-informed	64.1	54.3	80	22.4	6	92
10. My opinion is valued here	67.0	61.1	100	19.6	5	90
11. This place is well-organized	59.4	52.0	80	23.4	6	89
12. I understand the vision and mission of this organization	82.4	69.3	100	15.6	5	92
Compensation and Benefits	61.0	50.3	60	32.0	6	92
13. I am satisfied with my pay	49.5	52.2	40	29.3	6	91
14. I am satisfied with the benefits that are made available (leave blank if not applicable)	72.9	60.8	50	22.0	5	90
15. The salary and benefits that are offered here are fair	60.6	52.2	80	25.4	6	92

Communal Learning: Moving Beyond the “Numbers”



- Process benchmarking
- Monthly benchmarking forums audio-conferences
- Monthly newsletters
- Learn from top performers
- Data-driven discussions among participants

Live Demonstration of Comparative Benchmarking



- Real mini-benchmarking experience
- Audience polling technology used to demonstrate comparative benchmarking steps
- We will identify top performers
- Potential best practices will be explored

Benchmarking Topics



- Access
- Outpatient Productivity
- No-Shows for Initial Appointment

Closing Thoughts



- Benchmarking brings about an understanding of organizational performance that is not possible any other way
- It is a powerful tool that is now affordable and accessible to all mental health and alcohol and drug abuse providers

Questions?



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