



StewartBrown

Integrity + Quality + Clarity

Home Care KPI's

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Home Care – What we know

Today

- ❑ Increase in approved providers - currently 735 (ACFA – 2017, 702 2016, 496)
- ❑ 70% are not-for-profit organisations (who held 82% of packages); 16% are large, multi-service providers (who held 65% of packages)
- ❑ Major reforms implemented in February 2017 driving a consumer-driven, market-based and less regulated system
- ❑ Increasing competition as a result of an influx of new entrants plus portability of packages
- ❑ The intended provider "shopping" has not yet eventuated
- ❑ My Aged Care issues and long waitlist
- ❑ Declining margins

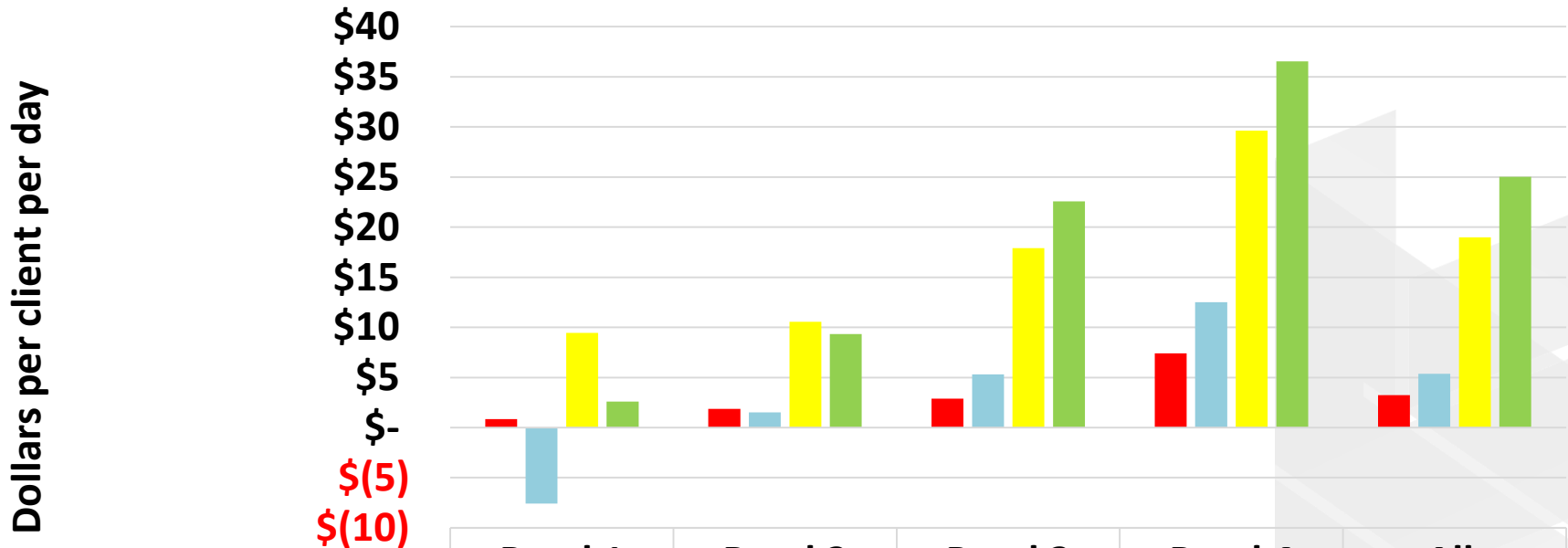
Home Care – What we know

Future

- ❑ Demand and supply: there were over 100,000 consumers on the My Aged Care waitlist (including those receiving services below their assessed level of need as at September 2017 - this bottleneck should be cleared eventually)
- ❑ Number of packages set to expand significantly to ~140,000 by FY22 (70,579 care recipients in March 2017)
- ❑ Integration of HCP and CHSP programs expected from 2020
- ❑ Future reforms expected following the Aged Care Legislated Review (Tune)
- ❑ Focus on value proposition essential but challenging for providers

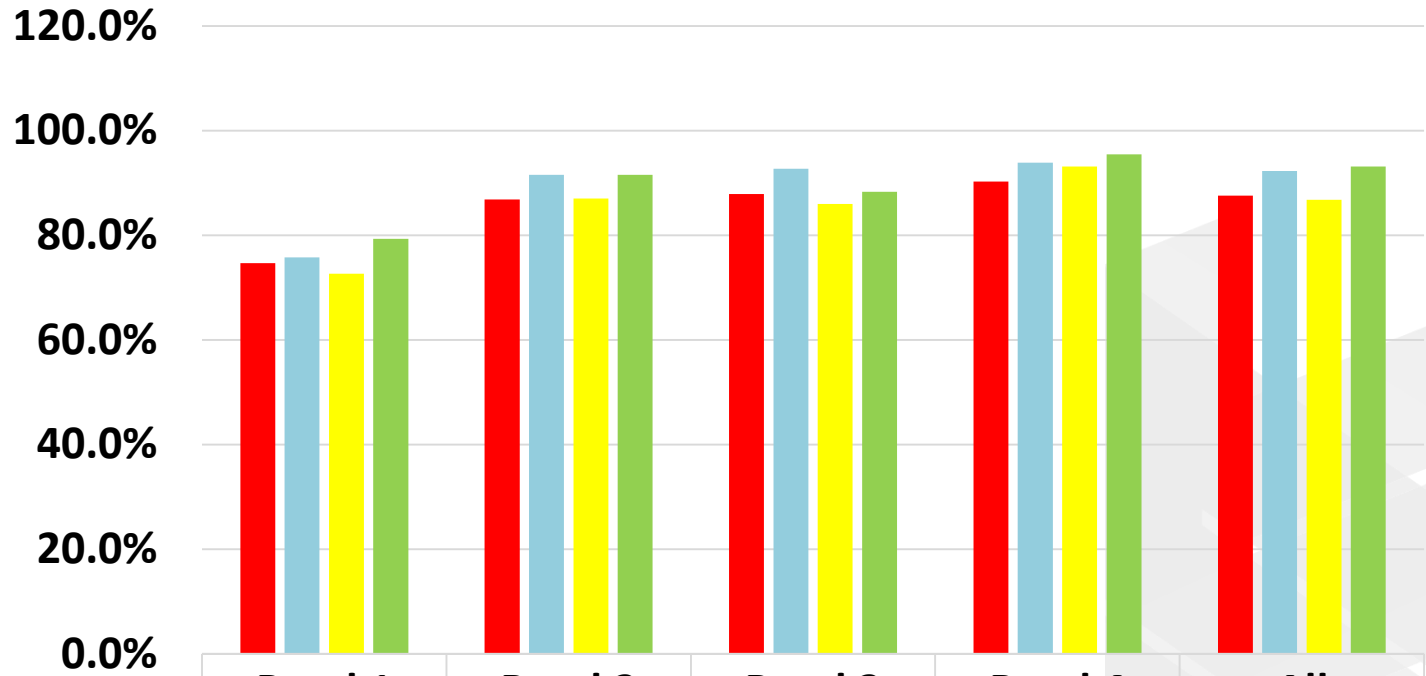
Home Care – December 2017 Results

EBT per client per day by band



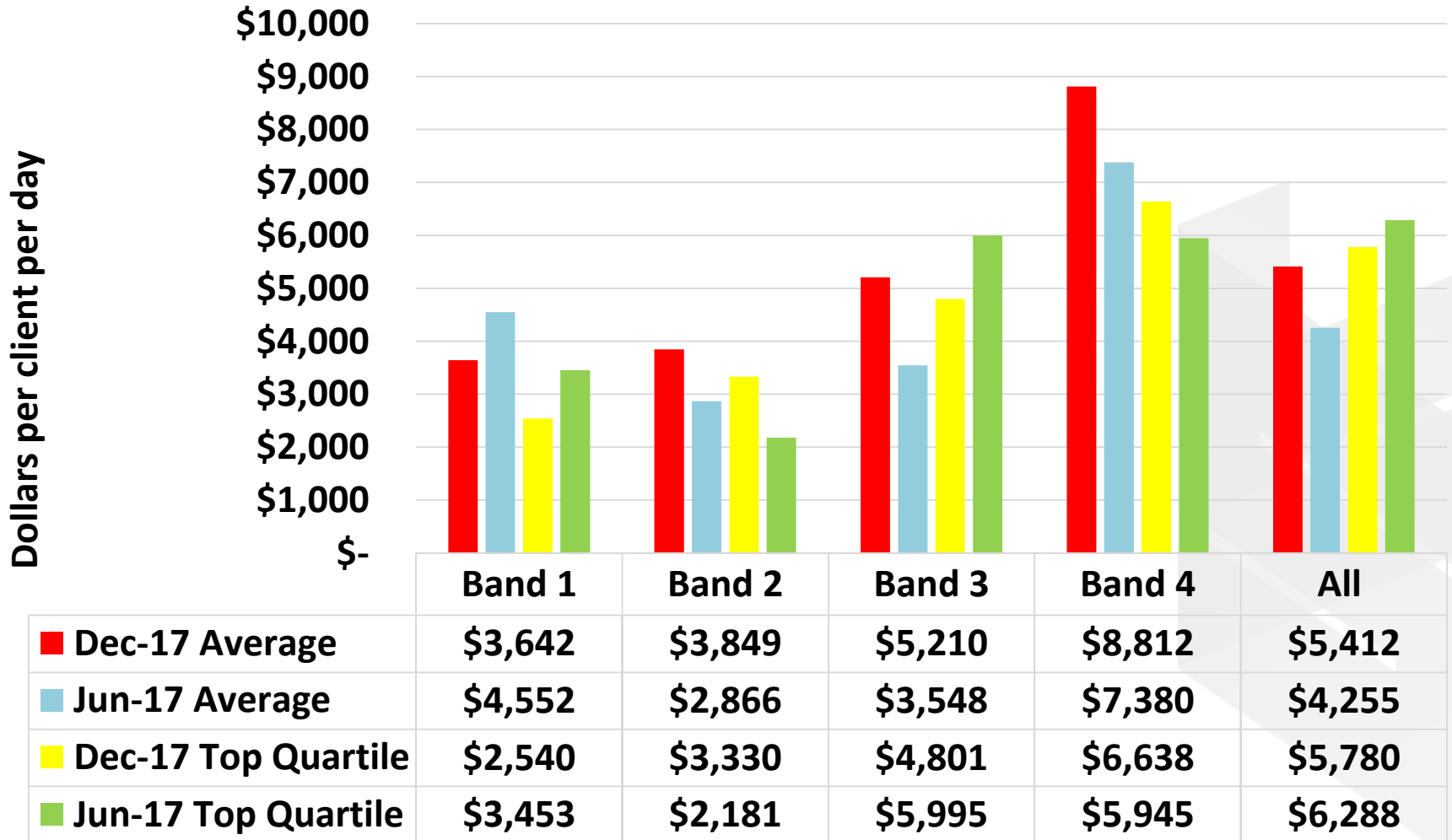
	Band 1	Band 2	Band 3	Band 4	All
■ Dec-17 Average	\$0.84	\$1.85	\$2.89	\$7.39	\$3.24
■ Jun-17 Average	\$(7.60)	\$1.52	\$5.30	\$12.51	\$5.37
■ Dec-17 Top Quartile	\$9.44	\$10.56	\$17.91	\$29.63	\$18.98
■ Jun-17 Top Quartile	\$2.59	\$9.35	\$22.57	\$36.53	\$25.03

Revenue Utilisation



	Band 1	Band 2	Band 3	Band 4	All
■ Dec-17 Average	74.6%	86.8%	87.9%	90.3%	87.6%
■ Jun-17 Average	75.8%	91.5%	92.7%	93.9%	92.3%
■ Dec-17 Top Quartile	72.6%	87.0%	86.0%	93.1%	86.8%
■ Jun-17 Top Quartile	79.3%	91.6%	88.3%	95.4%	93.2%

Average Unspent Funds



Home Care KPI's

- KPI's established through our assessment, client interviews and home care projects
- These metrics can be provided in a number of ways based on location, region or on a program by program basis
- Providers now looking to break down a number of these KPIs by Case Manager including profitability of packages under their control

Key KPI's

Engagement Time

- The time from first enquiry to client engagement
- Recommended: First target 24 hours, second target 3 days

Package retention and growth

- Sales techniques
- Engagement with clients

Revenue utilisation

- Total income recognised as percentage of total funding
- Recommended: 95%

Direct Care Cost

- Care costs of wages, on-costs and travel (excludes provider admin costs or margin)
- Recommended: 52 - 53%

Employee Productivity

- Billable hours as a percentage of total hours worked (excluding training and leave)
- Recommended: 85% -90%

Financial KPI's

- Revenue
 - Direct Services
 - Case Management
 - Client purchases & brokered services
 - Administration
- Margins on revenue items above
- EBT total & EBT per package
- Variances (budget/forecasts)

Financial KPI's

- Percentages
 - Direct services expenses as % of revenue
 - Case manager cost as a % of revenue
 - Administration cost as a % of revenue
- \$ available per package
 - Forecast based on subsidies
 - Forecast to include client fees and top up

Financial KPI's

- Unspent funds
 - Total \$ unspent
 - No. of clients with an underspend
 - Ave underspend per client
 - No. of clients & total \$ over a target threshold (e.g. 10%)
 - % unspent as a proportion of available revenue
- Overspend of funds
 - Total \$, No. of clients, average overspend

Financial KPI's

- Exit fees
 - Total clients discharged
 - No. of exit fees
 - % of total discharged
 - Total exit fees \$
 - Ave exit fee \$
- Revenue repaid to Department \$
- Revenue repaid to clients \$
- Revenue paid to other providers \$

KPI's - metrics relating to volume & value

- Client numbers, by location & package level
- No. of private clients
- No. of clients receiving dementia supplement
- Profile moving clients – incoming clients, moving clients and exiting clients
 - From CHSP, ILU
 - To provider, new package, between package
 - To RAC, internal, external
 - Deceased

KPI's – staff metrics

- Staff profile and recruitment
 - Care workers, recruited, leaving, total
 - Workforce growth rate
 - Total available hours
 - No. of casual workers
- Agency Usage
 - Total agency hours
 - % agency of total hours
 - Backfill or consumer choice

KPI's – staff metrics

- Productivity & efficiency
 - Total hours worked by staff category
 - Billable hours by staff category
 - Packages/clients per case manager
 - Billable hours as % of total hours – productivity rate
 - Overtime worked – total hours paid, % of total
- Travel – kms travelled, paid \$, travel time paid, ave kms per hour, ave kms travelled per client visit

KPI's – client satisfaction

- Waiting time on calls to co-ordinators
- No. calls hanging up, incoming calls, missed calls
- No. of missed visits
- No. of cancelled visits
- No. of complaints
- No. of compliments

KPI's – business development

- Client engagement time
- Client conversion rates – calls, enquiry, website
- Growth/retention rates
 - Actual compared to targets
 - By location and by package
 - Case manager/sales team

Conclusion

- Increased competition
- Declining margins
- Pricing issue
- KPI's are a necessity
- Systems to measure and report
- Starting out – Keep it simple
 - BD, Staff productivity & profitability