



**BEHAVIORAL HEALTHCARE CORPORATION**  
.....lighting the way to new beginnings

## **Performance Analysis Report**

### Introduction

NOVA Behavioral Healthcare Corporation is dedicated to a process of continuous improvement of our organization, programs, services and treatment. Predicated on the collection of information and data that are reliable, valid, specific, accurate and inextricably linked to the Indicators contained in this report, NOVA seeks to:

- address identified needs;
- improve the organization's business functions and fiscal stability;
- improve the effectiveness of services delivery;
- improve the efficiency of service delivery;
- improve access to NOVA programs and services;
- improve Consumer and Stakeholder satisfaction with our efforts.

This, and subsequent reports will be shared with our Consumers, Stakeholders, Governing Board and colleagues, who are partners in pursuing NOVA's vision and mission. It should be noted that NOVA's Strategic Plan, Input Document, Risk Management Plan, Health and Safety Plan, Personnel Policy Manual, Accessibility Plan, and Information / Data Management Plan among other policy manuals and documents provide a much more detailed description of our integrated systems and operations – all dedicated to Performance Improvement.

### Business Functions

#### Overview

In the Fall of 2007 NOVA reorganized its Leadership to be more responsive to organizational needs, recommendations and CARF accreditation. All Business Functions for both the Children's and Adults Programs were centralized under a Chief Financial Officer. Long-time Adults Program Business Manager, Susan Hinnant, was promoted into this position, and her impact was immediate and profound in restoring consistency and reliability to Business Department operations.

The Adults Program has always performed well in terms of fiscal management, predicated on a predictable revenue stream and even more predictable expense management. When rate increases have been proffered the Adults Program has been disciplined and conservative in their application. Because the Adults Program has a single revenue stream it is at the mercy of the

rate increase. Consequently, new services and sources of revenue are under development.

Conversely, the Children's Program is very fortunate to still be in operation. Changes imposed by Mental Health Reform and irresponsibility and inefficiency at the State Medicaid, Licensure and Mental Health offices periodically crippled cashflow. Detailed information regarding these calamities is provided in NOVA Strategic and Risk Management Plans. Diligence and creativity in budget management, coupled with the unwavering support of NOVA's banking partner, Branch Bank and Trust Co., allowed the Children's Program to weather the storm.

NOVA is pleased that both Programs have been operating in the black over the last 2 fiscal years; however, it is imperative that the Children's Program increases its revenue by developing new services and revenue streams, as well as, making sure that NOVA collects all authorized receivables.

Area Needing Improvement #1: An ongoing audit of Accounts Receivable for the Children's Program revealed that the existing system lacked diligence, perseverance and communication. Verification of authorizations was slack, and there was not an organized method for detecting and correcting errors.

Action Plan:

- evaluate performance of Business Department staff specific to this function.
- implement new and rigorous procedures governing billings and collections.
- assign additional staff to monitor the system.
- evaluate the use of an online service for obtaining Remittance Status Reports.
- Monitor DMA, EDS and Value Options websites for billing updates.

Indicator(s): Elapsed time between billing and payment;  
Number of claims determined to be uncollectible.

Area Needing Improvement #2: Both the Children's Program and Adults Program need to increase revenue and diversify funding streams. This is vitally important to the Children's Program, where no rate increases have been given since 2000 and none are forecasted. For both programs having a diverse array of funding streams is a hedge against problems developing for any single funding source.

Action Plan:

- develop a PRTF in conjunction with CARF accreditation, to be operated by the Children's Program on the site of the existing Residential Treatment Level IV facility.
- open a 4 to 8 bed Community Respite program, and eventually add on Partial Hospitalization services..

- finish the conversion of all Residential Treatment Level III facilities operated by the Children's Program to a 4-bed model.
- open an 18 to 24 slot Child and Adolescent Day Treatment program in Goldsboro, N.C. to be operated by the Adults Program, and eventually add on Outpatient Treatment, Community Support and Intensive In Home Services.

Indicator(s): Gross Revenue / Children's Program; Gross Revenue Adults Program.

## Effectiveness of Services

### Overview

The Adults Program (DD/MI – ICF/MR) continues to provide services at a high level of effectiveness, and has been unaffected by the State Mental Health Reform Plan. This conclusion is based on numerous annual ICF/MR surveys yielding 0 deficiencies and the maintenance of placement for nearly 100% of our Consumers because there are no adequate funded stepdown placement alternatives at present, leaving the State-operated DD Centers as the only placement alternative. The fact that DD Centers possess little expertise in treating the Mental Illness component is especially worrisome.

NOVA has seen a slow degrading of the effectiveness of our services in the Children's Program. Beginning in 2000 with the re-writing of Medicaid Service Definitions for Residential Treatment and continuing through this decade with the implementation of the Mental Health Reform Plan and the .1700 Level Licensure Rules, one well-ended State initiative after another has provided unforeseen negative consequences for service providers. More specifically, the changes in the Medicaid Service Definitions required daily Shift Notes by direct care staff, replacing the Clinical Notes documented by professionals. As a result notes have a reduced clinical value and do not provide for a true analysis of progress. In 2006 the .1700 level Licensure Rules for Residential Treatment Level III services went into effect. These new standards required NOVA to transfer or terminate the employment of all veteran, but non-degreed Group Home Managers, and replace them with 4-year degreed Associates Professionals. By NOVA's estimate over 40 years of direct care supervision / management experience was lost, to be replaced by personnel with little or no direct care experience, and with expectations inconsistent with the position's duties and responsibilities. The Mental Health Reform Plan (which is currently being reformed) produced two important changes for NOVA that had a direct impact on service effectiveness. Prior to 2005 NOVA was considered the Consumer's "Clinical Home" and NOVA had responsibility for and custody of the Service Plan / Person-Centered Plan. Subsequently, the Consumer's clinical home was shifted to the Community Support (Case Management) agency, and NOVA lost authority and control over Service Plans / PCPs. Community Support Workers (CSWs) typically were inexperienced and poorly trained, and produced Service Plans / PCPs containing inappropriate and unmeasurable Consumer

goals. Since NOVA was no longer the clinical home, little could be done about the quality of plans, save negotiation. A secondary issue was and is rapid turnover in CSW positions and Community Support agencies. Beginning in 2006 Value Options became the State Contractor for authorizing Children's Services. Prior to this the usual length of stay was 12-18 months. Now Value Options authorizes services in 30 or 60 day increments, which creates uncertainty around all aspects of placement, services and treatment.

NOVA's engagement in the CARF accreditation process has caused our Leadership to take a fresh look at service effectiveness problems with the Children's Program, with a renewed commitment to performance improvement.

Area Needing Improvement #3: The measurability of PCP goals for Children's Services is highly questionable, which compromises an important indicator of service effectiveness.

Action Plan:

- review a sample of goals to determine a baseline of goal measurability.
- continue to negotiate with and guide Community Support Workers in the development of measurable PCP goals.
- implement an internal document (Behavioral Health Treatment Plan) to allow NOVA to control and improve both goal measurability, and the scope of treatment captured in goal statements.

Indicator(s): Measurability of goals.

Area Needing Improvement #4: At present there is no formal mechanism for the reliable and valid analysis of individual and aggregate Consumer progress for the Children's Program.

Action Plan:

- implement the Behavioral Health Treatment Plan (BHTP) to allow NOVA to control and improve both goal measurability, and the scope of treatment captured in goal statements.
- implement a monthly and quarterly analysis of progress document by the Qualified Professional, based on measurable goals in the BHTP.

Indicator(s): Availability of individual and aggregate progress analyses.

Area Needing Improvement #5: As the average length of stay has decreased from 12+ months to under 6 months for Consumers in the Children's Program, the number of Planned Discharges in accordance with transition plans has shrunk, while Unplanned Discharges have dramatically increased. NOVA has little control over Value Options authorizations for service, which plays a considerable role in determining length of stay. There is the potential for improvement in the number of Planned Discharges, however.

Action Plan:

- evaluate the discharge planning process and modify it to improve effectiveness.
- analyze discharges against criteria for Planned versus Unplanned.
- Implement a new internal document (Transition / Discharge Plan) that will be emphasized at Admission, during Treatment Team Meetings, and in Family Therapy.

Indicator(s): Planned Discharges; Unplanned Discharges

Efficiency of Services

Overview

Inefficiency in service delivery is a problem that appears to be indigenous to Mental Health. At the local, State and Federal level elected entities are constantly promised that reforms will bring efficiencies (i.e. savings), but this rarely happens. Frustrated, legislators respond by limiting or capping funding and/or services, or worse, completely eliminating services in categories. So, in a sense for providers such as NOVA efficiencies in service delivery are imposed from the outside. They are usually draconian and ironically do not produce much efficiency. An example of this is the relationship between rate increases, direct care staff compensation, and direct care staff turnover. The Adults Program has received two generous rate increases over the past 4 years, has provided bonuses and merit raises to direct care staff, and has a much lower turnover rate compared to the Children's Program. Conversely, the Children's Program has not seen a usable rate increase since 2000, has not been able to increase direct care staff pay, and struggles with high turnover.

Once again, the CARF accreditation effort has motivated NOVA's leadership to explore ways to improve efficiency in the delivery of services to our Consumers.

Area Needing Improvement #6: Turnover for the direct care staff position is a problem that hurts efficiency for both the Adults and Children's Programs, but it is a substantially greater issue for Children's services. Turnover increases training costs and overtime pay, strains staffing schedules, and dissolves productive relationships with co-workers and therapeutic relationships with Consumers. Generally speaking, high direct staff turnover is disruptive and expensive.

Action Plan:

- conduct an analysis of turnover for the direct care staff position.
- continue to provide bonuses and raises to the direct care staff of the Adults program predicated on rate increases.
- provide immediate bonuses and raises to the direct care staff of the Children's Program, predicated on rate increases (though unlikely).

- increase dependable revenue for the Children’s Program by modifying existing services and developing new services, using a portion of the new revenue for raises and bonuses.
- maintain open and honest communication with all staff regarding the relationship between NOVA’s revenue position and pay scale.
- implement the new Coaching Log policy as a vehicle to recognize and show appreciation for positive job performance and/or personal conduct.

Indicator(s): Direct Care Staff Turnover Rate / Children’s Program;  
Direct Care Staff Turnover Rate / Adults Program

Area Needing Improvement #7: Internal and External Investigations of alleged Consumer Rights violations, though absolutely essential to NOVA’s integrity, are always disruptive. Efficiency in service delivery is negatively effected as a result of staff suspensions, schedule disruptions, investigation time, and staff turnover should allegations be substantiated. Invariably, internal investigations produce external investigations. This is especially so for the Children’s Program. External investigations further occupy staff time at all levels, disrupt staff schedules, produce overtime and usually require the development and implementation of time consuming plans of correction, that often do not improve the quality or effectiveness of our services. If, as the result of an external investigation, NOVA receives a penalty it deems unfair or unreasonable, the resulting appeals process and legal expenses produces additional inefficiencies. Parenthetically, NOVA has prevailed in every appeal since opening in 1985.

Action Plan:

- continue to thoroughly investigate and report any allegation of a Consumer Rights Violation.
- continue to implement Personnel policies specific to Consumer Rights Violations.
- implement the recommendations contained in the report evaluating NOVA’s New Employee Orientation, prepared by an external consultant.
- implement the new Coaching Log program as a vehicle to proactively engage staff in Consumer Rights protocols.
- maintain an open and direct dialogue with external Surveyors / Investigators pertinent to findings, plans of corrections and appeals.

Indicator(s): Internal Investigations / Children’s Program;  
External investigations / Children’s Program;  
Internal Investigations / Adults Program;  
External Investigations / Adults Program

Area Needing Improvement #8: Restrictive interventions (physical restraint and seclusion) are inefficient, though often necessary in circumstances of imminent

risk. If an imminent risk event can be de-escalated using nonrestrictive interventions it is less time consuming, requires fewer (typically one) staff, eliminates the potential for Consumer or staff injury (the treatment for which is time and resource consuming), involves considerably less documentation, minimizes the involvement of qualified professional and/or on call staff for authorizations, eliminates time spent in communicating with Stakeholders, and reduces the potential of internal and external investigations. For NOVA in terms of efficiency of services delivery, there is much to be gained by reducing the use of restrictive interventions.

Action Plan:

- implement the recommendations of the External Consultant regarding NCI Training Part A and Part B.
- quarterly, perform a detailed analysis of restrictive intervention use by facility and by Consumer.
- implement the revised Seclusion and Physical Restraint policies in conjunction with the new Behavioral Health Treatment Plan.
- complete the 4-bed home model project for Residential Level III services.

Indicator(s): Restrictive Interventions / Children's Program – Aggregate by facility per quarter; Restrictive Interventions / Children's Program – by facility per day; Restrictive Interventions / Children's Program – by facility per Consumer; Restrictive Interventions / Adults Program – Aggregate by facility per quarter; Restrictive Interventions / Adults Program – by facility per day; Restrictive Interventions / Adults Program – by facility per Consumer.

Area Needing Improvement #9: As presented earlier in this document for the Children's Program problems abound with the "Clinical Home" of the Consumer being placed with the Community Support Worker. Any change in service planning must be made by her or him. Changing the plan may take in excess of 30 days. Sometimes NOVA's recommendations for plan changes get lost. Occasionally, Community Support Workers get lost or get gone. Lately, the entire Community Support agency may disappear, which leaves the Consumer, the plan and NOVA in limbo. Our Children's Program Consumers need an internal plan, controlled by NOVA, that contains current information and that allows changes to be documented and implemented in "real time".

Action Plan:

- implement the Behavioral Health Treatment Plan (BHTP).

Indicator(s): Presence of BHTP in Consumer Records;

Service Access

## Overview

NOVA is committed to providing services and treatment in a milieu that is accessible and accommodating to Consumers, Stakeholders and Staff. Systemic, architectural, attitudinal and internal policy and procedural barriers, obvious or subtle, may impede accessibility to NOVA services. The CARF accreditation process has been extraordinarily helpful to NOVA's Leadership in re-examining accessibility issues and problems. Using tools and data from our Accessibility Plan and Stakeholder Input initiatives, NOVA has been able to identify simple, but overlooked barriers to services.

Area Needing Improvement #10: Stakeholder input reveals that the Children's Program phone system is not user friendly, which impedes Stakeholder access, and may also be negatively impacting referrals.

### Action Plan:

- evaluate and correct identified problems with the Children's Program phone system.
- solicit and document input from persons making referrals to the Children's Program regarding problems making contact via the phone system.

Indicator(s): Stakeholders satisfaction with the Children's Program phone system; Input from persons making referrals.

Area Needing Improvement #11: Through Stakeholder and employee input it has been suggested that NOVA add 1-800 service for both the Children's and Adults Program. Some years ago NOVA provided a 1-800 access number; however, the reason for its discontinuation could not be found in any meeting minutes or other documentation. Certainly, this simple improvement will facilitate accessibility to NOVA services.

### Action Plan:

- add 1-800 services for both the Children's and Adults program.
- solicit and document input from Stakeholders and persons making referrals regarding the addition of 1-800 service.

Indicator(s): Stakeholder input; Input from persons making referrals.

Area Needing Improvement #12: Again, based on Stakeholder and employee input it is clear that NOVA's website is dated, and contains information that is no longer accurate. Individuals seeking access to our services, or simply wanting information about NOVA may be dissuaded by the unattractiveness of the website, or the inaccuracy of information it contains. As a marketing tool the website leaves a lot to be desired.

Action Plan:

- hire an external website designer and completely overhaul NOVA's website to make it user friendly, up-to-date, and cosmetically appealing.
- solicit and document input from website users.

Indicator(s): Availability of a re-tooled website; Input from website users.

Area Needing Improvement #13: Assessments conducted in conjunction with the implementation of NOVA's Accessibility Plan indicate that not all NOVA facilities are accessible to individuals with significant physical challenges. Because of the nature of NOVA's services and the high probability of violent Consumer behavior, NOVA cannot admit individuals with significant physical challenges. However, physical access to our facilities may be a problem for some Stakeholders.

Action Plan:

- purchase one or more portable ramps, based on an assessment of need.
- solicit and document Stakeholder input when portable ramps are used.

Indicator(s): Uses of portable ramps; Stakeholders input regarding availability of portable ramps.

Area Needing Improvement #14: For the Children's Program the Value Options process of service authorization typically takes in excess of 14 days from the date that admission is offered until authorization is received and admission can occur. During this "waiting" period many factors may contribute to a failed admission. The child may elope, be arrested for committing a crime, engage in an act that violates probation, be sheltered and concealed by a well-intended but misguided friend or family member, or similar events that derail admission. As well as being an accessibility issue, it is also an efficiency problem in that NOVA resources are expended to screen the applicant and prepare for admission, only to see it fall through.

Action Plan:

- on a trial basis, implement a policy of admission prior to Value Options authorization for those applicants judged to be good candidates for authorization.
- encourage Parents, Guardians and Stakeholders to voice concern regarding the Value Options authorization process.

Indicator(s): Applicants admitted without authorization;  
Applicants admitted without authorization, who are subsequently authorized.

## Consumer / Stakeholder Satisfaction and Input Overview

NOVA values and uses the input from Consumers, Parents / Guardians and other Stakeholders in the evaluation of the quality and effectiveness of our services and operations. We use this information in a number of activities including strategic planning, program / service modification and development, and performance improvement. On a semi-annual basis NOVA Leadership meets and analyzes input and feedback data from multiple sources. This analysis is presented in the Stakeholder Input Summary document. As discussed in the previous section, Stakeholder input has been invaluable to the identification of barriers to NOVA services. From a broader perspective, the careful consideration of Stakeholder Input as a vital component of CARF accreditation has led NOVA's Leadership to some painful, but necessary realizations. Some of these are captured below in Areas Needing Improvement.

Area Needing Improvement #15: NOVA's Stakeholder Input Survey methodology is flawed. In an effort to protect the anonymity of the Stakeholder no mechanism for segregating input for the Children's versus Adults Program was provided. Consequently, data may be skewed positively or negatively. Nevertheless, NOVA's Leadership believes that Stakeholders satisfaction results would be significantly more negative for the Children's program based on history and anecdotal information. For the next semi-annual review, a method for differentiating Stakeholder input must be employed.

### Action Plan:

- use different colored paper for Stakeholder Input Surveys for the Children's Program versus the Adults Program, while still protecting the anonymity of the respondents.

Indicator(s): Satisfaction data that is segregated by program.

Area Needing Improvement #16: All NOVA Consumers, regardless of program have a parent or legal guardian. It was assumed that the parent or guardian would solicit the input of their Consumer when completing the Input Survey; however, this was not the case for the great majority of respondents. Though Consumer input is available from other sources, it is not obtained anonymously and consequently, raises reliability and validity concerns. The obvious solution is to ask parents and guardians to get the opinion and ideas from the Consumer when completing the Input Survey.

### Action Plan:

- add a statement to the Input Survey requesting that the Consumer be consulted when the parent or guardian is completing it.

- remind parents and guardians of this change at Treatment Team meetings.

Indicator(s): Satisfaction data that include Consumer input; Consumer Satisfaction at Discharge; Consumer Grievances; Stakeholder Grievances.

Area Needing Improvement #17: Assuming that NOVA's Leadership is correct in concluding that Stakeholder satisfaction is much higher for the Adult Program versus the Children's Program, why is this? Why does just about everyone like and respect the Adults Program much more than the Children's Program? After all, the two programs have the same Leadership, policies, systems, mission, etc. We have agonized over this conundrum for many years. As with other areas of our operation, the CARF accreditation process has caused NOVA's Leadership to "think outside the box" in processing and addressing this problem. In no particular order of priority, shown below are the thoughts of NOVA's Leadership Council on this matter.

1. The Children's Program evolved from the Willie M. Program, which was the result of a class-action lawsuit in the early 1980s. The Willie M. Program was perceived to be for "really bad" kids, not wanted in any community, and expensive and unnecessary. Legislators despised the Willie M. Program because it was court-ordered, funded by State dollars, and they had no control over it. Providers came to be disliked as much as the Willie M. Program and the Willie M. Children. Perhaps some of that sentiment carries over to the present.
2. Length-of-stay seems to be closely linked to satisfaction. For the Adults Program, the length-of-stay usually exceeds five years. This allows for dramatic treatment success, functional and trusting relationships between NOVA Staff, Consumers, Parent / Guardians and other Stakeholders to develop naturally, and multiple opportunities to resolve differences and complaints in a productive manner. With the length of stay in the Children's Program declining to under 6 months, sufficient time for treatment success, relationship building and conflict resolution simply does not exist.
3. Maybe the differences in the populations between the Adults and Children's Program has something to do with Stakeholder Satisfaction. This is not intended to be cynical, but it is possible that some people like persons with developmental disabilities better than they do children with serious behavior and emotional problems. At risk children who have ultimately been placed in Residential Treatment have presented continuing problems for their parents, siblings, other family members, teachers, school administrators, social workers and case managers. Developmentally challenged adults placed in stable, long-term residential programs do not have the same issues. It might be that both the positive halo effect and negative halo effect transfer in part to the provider.

4. Then there are developmental and familial dynamics. Parents of young adults with developmental challenges, like all parents, have an expectation that their son or daughter will move from the family home, live more independently and find some positive life alternative where they can be productive and contributing. This is not the case for at risk children and their parent / guardians and families. The decision to place a child or young adolescent in a Residential Treatment must be horribly painful for the parent and family. Failure and guilt are two emotions that come to mind, as well as a powerful drive to keep parenting, if even from a distance. If parents and family cannot or have not recognized these feelings as appropriate and normal to the circumstance, they may displace them on the provider in terms of complaints and dissatisfaction. NOVA welcomes complaints and dissatisfaction, but performance improvement is not served if they are not valid and constructive.

In the spirit of performance improvement NOVA chooses to do something about this, rather than let it sit there like the proverbial elephant in the living room.

Area Needing Improvement #18: For the reasons presented above NOVA believes it has a Parent / Guardian and Stakeholder satisfaction problem with the Children's Program. Moreover, relationships are brief, tenuous and sometimes conflicted. At present there are no interventions or protocols to improve this.

Action Plan:

- implement a comprehensive Transition / Discharge Plan at Admission which discusses relationships, trust, dynamics and emotions.
- give the Consumer, Parent / Guardian and other Stakeholder wide latitude to express and have documented their feelings and expectations regarding placement.
- identify barriers to successful placement and treatment in the Transition / Discharge Plan.
- identify and document the expectations for the Parent / Guardian and other Stakeholders pertinent to the Transition / Discharge Plan.
- identify and document input modalities in the Transition / Discharge Plan.
- discuss and document ways to establish trusting, functional relationships in the Transition / Discharge Plan.
- review the Transition / Discharge Plan at each Treatment Team Meeting.
- integrate information from the Transition / Discharge Plan into Family Therapy.
- implement a Consumer and Parent / Guardian Satisfaction Questionnaire at discharge.

Indicator(s): Stakeholder Input Survey segregated by Program; Consumer and Parent / Guardian Grievances segregated by Program; availability

of comprehensive Transition / Discharge Plans; Consumer Satisfaction at Discharge; Parent / Guardian Satisfaction at Discharge.

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