

Managing SBHCs: Key Leadership and Business Strategies

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Focus Areas

1. Individual & team performance
2. Budget management
3. Practice management system

8 SBHCs in Alameda County



Youth Heart Health Center



Fuente Wellness Center



Individual and Team Performance



- ◆ Start with smart hiring
- ◆ Show up: visit sites & understand operations
- ◆ Provide scheduled supervision meetings with agenda items
- ◆ Set clear expectations & give feedback



- ◆ Conduct 360 appraisals (handout) & establish measurable performance objectives
- ◆ Encourage questions, listen, have “courageous conversations”

Maintain High Level of Emotional Intelligence

- ◆ Self-awareness
- ◆ Self-regulation
- ◆ Motivation
- ◆ Empathy
- ◆ Social skills

“What Makes a Leader” by Daniel Goleman

- ◆ Hold each site supervisor responsible for SBHC fiscal performance
- ◆ Hold monthly “matrix” meetings & explore trends, issues & fiscal details



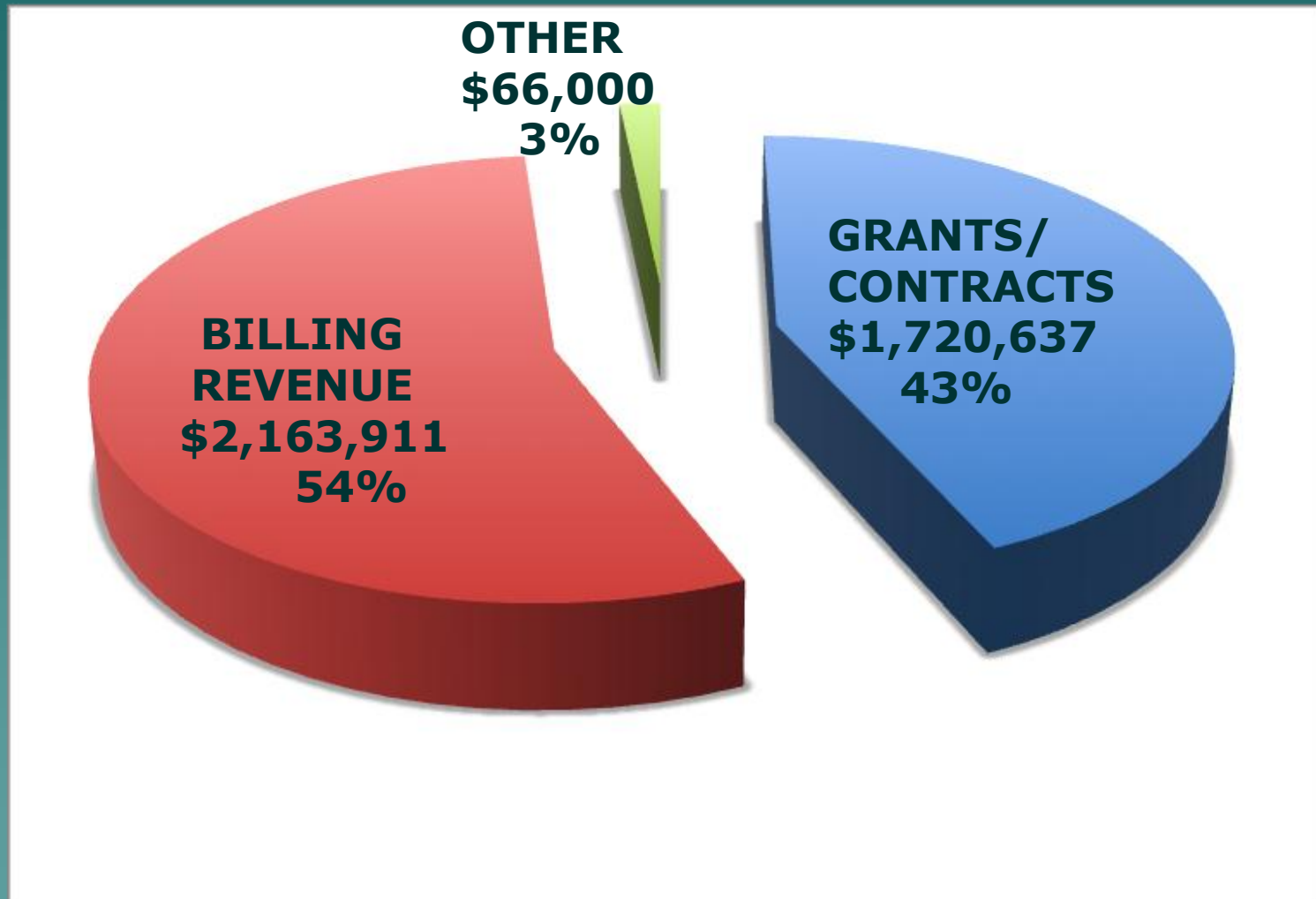
Budget Management



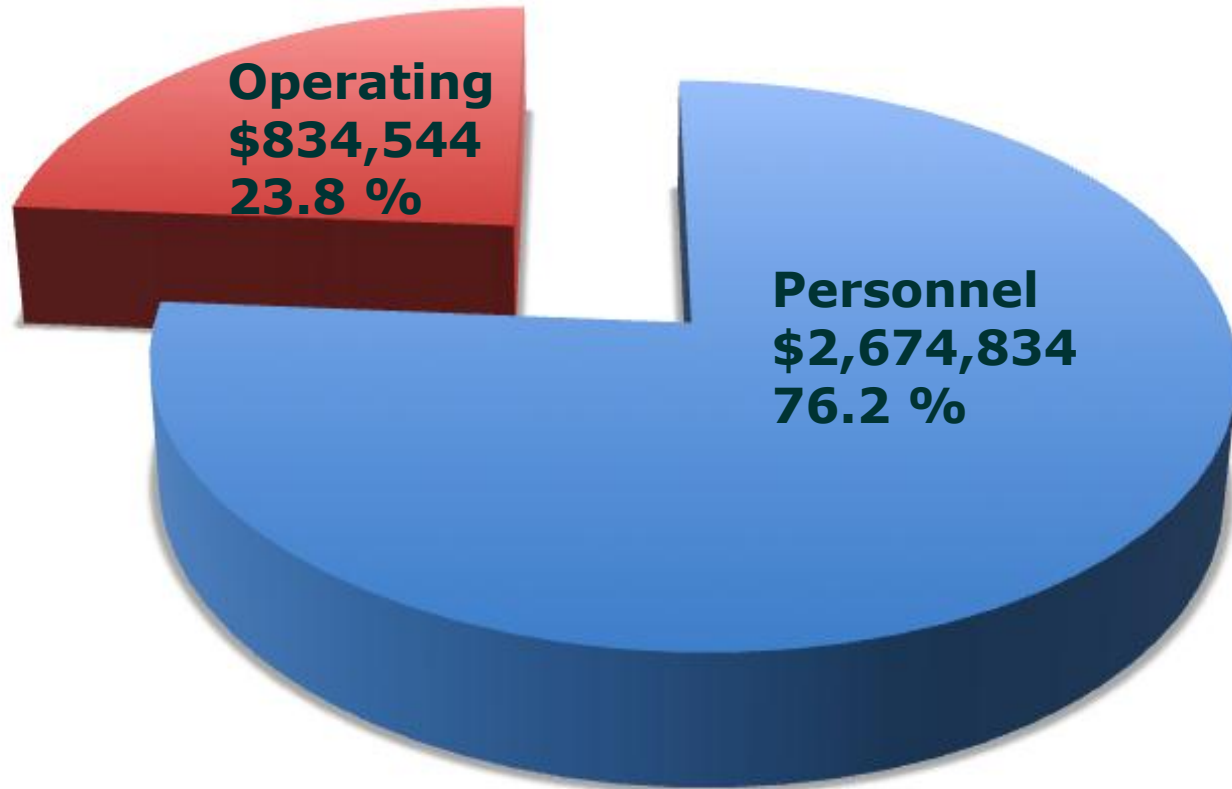
FY 12-13 Board Approved Budget

Visits (medical and non-medical)	20,870
Revenue	\$3,950,548
Expenses	\$3,509,378
Salary	\$2,674,834
Operating	\$ 834,544
Operating Net	\$441,170
Overhead (19.5% of personnel costs)	\$396,541
Net	3.03%

FY 12-13 Revenue Budget \$3,950,548



FY 12-13 Expense Budget \$3,509,378



Budget Range

REVENUE

Smallest site	\$411,342
Largest site	\$574,073

EXPENSES

Smallest site	\$377,373
Largest site	\$521,150

- ◆ Salary expense report
- ◆ Detailed & summary income statements with budgeted vs. actual
- ◆ Trends report (handout)
- ◆ Utilization & financial “variance” reports with analysis (handout)

- ◆ Site-specific & department “roll up” budgets based on trends with assumptions & expected outcomes
- ◆ Grant/contract expenses & invoicing

- ◆ Provider productivity across all services
- ◆ Billing efficiency & effectiveness
- ◆ Timely follow-through with fiscal staff

Purpose of Trends Report

- ◆ Historical information on performance of SBHC over several years
- ◆ Historical information to assist in making budget projections
- ◆ Reality check on projections
- ◆ Information that may help identify factors to explore in more depth to identify root causes

Roll-Up Budget

Visits

Medical Visits	10,761
Non-Medical Visits	10,109
Total Visits	20,870

Revenue

Grants & Contracts	1,710,637
Patient Fees	2,173,498
Other: Risk Pool	56,413
Other: Donations	10,000
Total Revenue	3,950,548

Expense

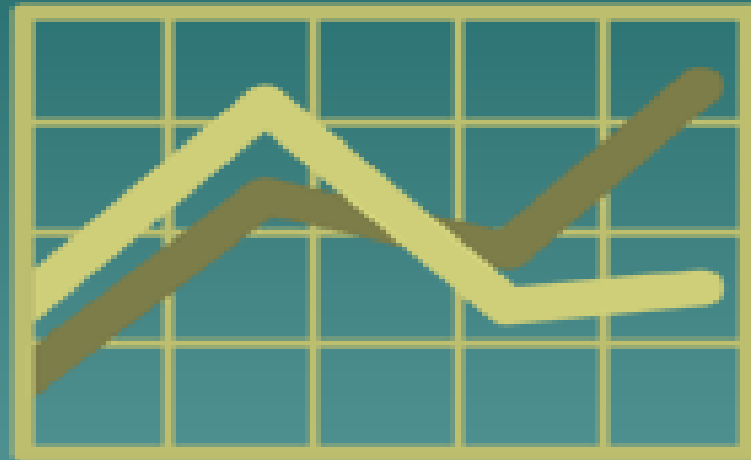
Salary	2,028,535
Salary increase 7/1/12	25,357
R & R Adjustment 4/1/12	68,993
Mgmt Increase	
Taxes & Benefits	551,950
Donated Services	-
Non-personnel	834,544
Total Expense	3,509,378

Operating Net 441,169

Overhead 396,541
Indirect paid in grants 200,137
Net* 119,715

3.03%

What causes a negative variance?



- ◆ Payer mix shortfall
- ◆ Revenue per encounter < projected
- ◆ # of billable encounters < projected
- ◆ Delay in closing billable encounters
- ◆ Billing errors/omissions: wrong insurance, codes, demographics

- ◆ Staffing challenges
- ◆ Loss of auto patient reminder calls
- ◆ Unbudgeted expenses e.g. ePM
- ◆ School issues/closures

Variance Report Exercise

1. Actual visits: 250 total; 200 medical; 50 other
2. Actual revenue: \$25,000 grants/contracts; \$45,000 third party billing; \$500 other
3. Total revenue = \$70,500
4. Actual expenses: \$70,000 personnel; \$20,000 operating expenses
5. Total expenses = \$90,000
6. Operating net = (\$19,500)
7. Variance = (\$9,000) or 85.7%

Practice Management System



- ◆ Daily appointment report
- ◆ Provider productivity by site & time period
- ◆ Kept appointments & no-show rates (handout)
- ◆ Open vs. closed encounters
- ◆ Accounts receivables
- ◆ Panel size (PCP assignment)

Panel Size Report Tells You

- ◆ How many active patients are assigned to your site
- ◆ How many active patients are assigned to each PCP at your site
- ◆ How many active patients are NOT assigned to a PCP or are assigned to an inactive or wrong PCP

Remember: 100% of your patients should be assigned to an appropriate PCP.



