

National Association of Community Health Centers FOM/IT 2022

KPIs for the New Normal

October 30, 2022

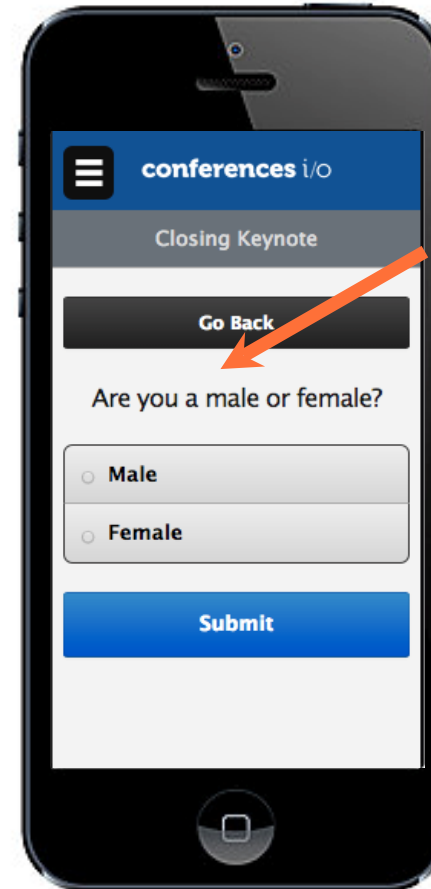
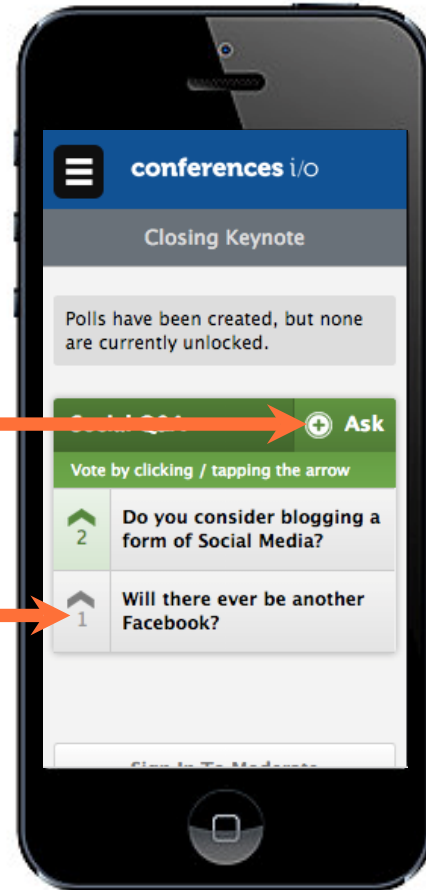
Curt Degenfelder, President, Curt Degenfelder Consulting
curt@degenfelderhealth.com
310-740-0960



In-Person Participants

**Give us
Feedback**

**Up-Vote a
Comment**



**Click on
question and
then
Respond to
Polls when
they appear**

Vote / Give Feedback/ Respond to Polls

Virtual Participants

Chat

(use to talk with peers)



Polling/Q&A

(participate in polls, ask questions to faculty)



The screenshot displays a virtual meeting interface with several components:

- Chat Window:** Located on the left, it shows a list of participants and their messages. The messages include: "Brian Long Hey James H, III", "James Hecker Hi!!! Hey Buddy!!!", "Laura Wiggins:!! Confirming - the 'Workbook' is under the Resources tab, titled 'Alcon Precision, Inc_WER100321_Workbook'", and "CMT Greenberg Start at the end: identify the goal, then the key winning points, outline & drink more coffee".
- Polling Window:** Below the chat, it displays a poll titled "#1.) What is your biggest business writing challenge? (NO RIGHT ANSWER - OPEN QUESTION)". The results are: "Concision" (45%), "Grammar and/or Types" (20%), "Content Structure" (16%), "Tone" (16%), and "Other" (0%).
- Video Feed:** A large window on the right shows a video of a man in a suit and white shirt.
- Slide:** The background of the video feed shows a slide titled "UDS Reporting: Preparing, Doing, and Utilizing" with the subtitle "Cultivating Health Center Operations". The slide features a colorful graphic of a heart and the CURIS logo.
- Footer:** The bottom of the interface includes a "Request Support" button, the time "12:09pm Eastern", and navigation links: "Session", "Support", "Profile", "Options", and "Windows".

Curt Degenfelder

President

Curt Degenfelder Consulting, Inc.

- Based in Los Angeles, CA
- A national healthcare business consultant with 33 years of experience
- Work with 100+ community health centers (CHCs) developing **financial, operational, and strategic solutions**
- Work on FQHC payment reform & alternative payment methodologies (APMs)
- Perform trainings for CHCs, state PCAs, the National Association of Community Health Centers as well as boards and foundations
- Board member of Westside Family Health Center in Culver City, CA



Session Topics

- Finance/Operations Key performance indicators (KPIs)
- Human resources KPIs
- Pay for Performance (P4P) KPIs



FINANCIAL/OPERATIONAL KPIs



Days Cash On Hand

Operating Cash x 365

(Total expenses – noncash expenses)

- Why Is This The Most Important Indicator? - Because the CHC has to make payroll every two weeks
- Why else is it important? – Because it represents the sum total of financial and operational activity at the health center (but does not measure mission, clinical quality, or customer service)
- Superior to current ratio or working capital because it adjusts for errors in revenue recognition
- KPI driver – Days in Accounts Receivable
- Also consider restricted cash, designated cash, excess days in payables, and unearned revenue (also correlate to current ratio)



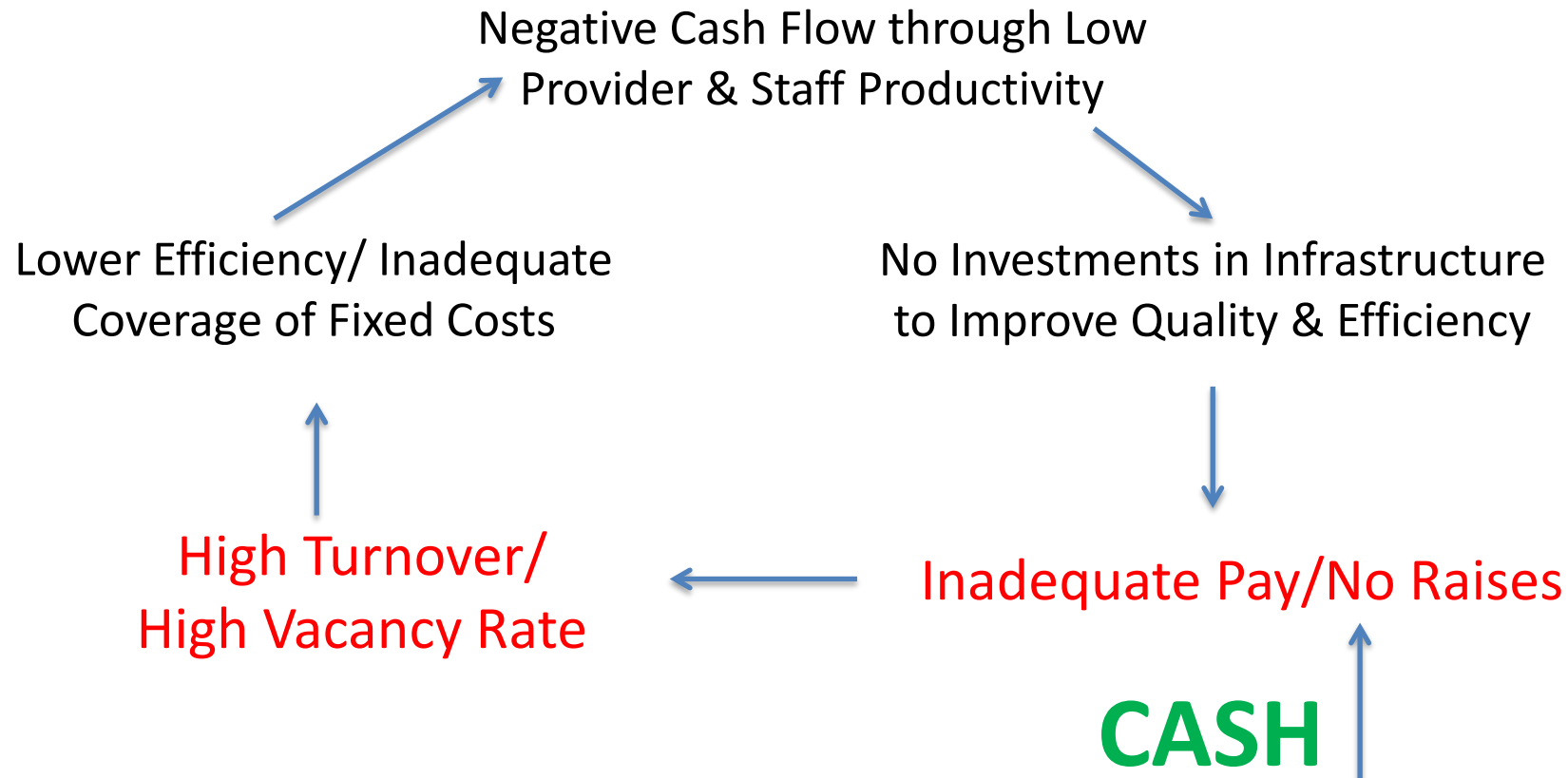
Days Cash on Hand

- HRSA generally prefers 45 – 60 days
- Below 15 makes the center very difficult to manage
- If operations are cash flow positive, the lower end maybe 30 – 35 days after capital investments
- From a balance sheet perspective may want to consider a capital replacement fund equal to monthly depreciation (but don't make it restricted)
- Capital plan is now an HRSA program element from the Compliance Manual



Why Understanding Cash Is More Important Now Than Ever

- Cash gives the organization financial and operational flexibility
- Pre-COVID, many health centers had positive cash flow and bottom lines, building up cash for a “rainy day”. Today may be our rainy day.



Provider Productivity From UDS

When Will We Hit Bottom?

	2008	2010	2012	2014	2016	2018	2020	2021
Family Practice*	3,788	3,606	3,424	3,238	3,079	2,900	2,710	2,688
General Practitioners*	3,888	3,831	3,806	3,427	3,305	3,001	2,699	2,777
Internists*	3,777	3,464	3,206	3,059	2,969	2,832	2,741	2,743
OB/GYN*	3,608	3,369	3,162	2,968	2,858	2,728	2,608	2,615
Pediatricians*	3,946	3,770	3,541	3,451	3,247	3,141	2,676	2,870
Nurse Practitioners*	2,797	2,821	2,750	2,639	2,560	2,504	2,377	2,430
Dentists	2,672	2,672	2,657	2,637	2,614	2,630	1,928	2,176



Provider Productivity - Daily

- Most health centers have a target of visits per provider per day. Very few health centers actually track it. So our KPI needs to be:

of providers meeting productivity target

Total # of providers

Note that this is a binary, event driven (did the provider meet the standard or not) KPI rather than a cumulative measure. CHC target should be 80%. Measuring performance this way allows for improvement because:

- It allows the center to determine if policies/processes are successful
- It allows the center to identify if goals are realistic



Productivity vs. Daily Target

Family Practice Rolling Year

Family Practice Visits per Day by Site

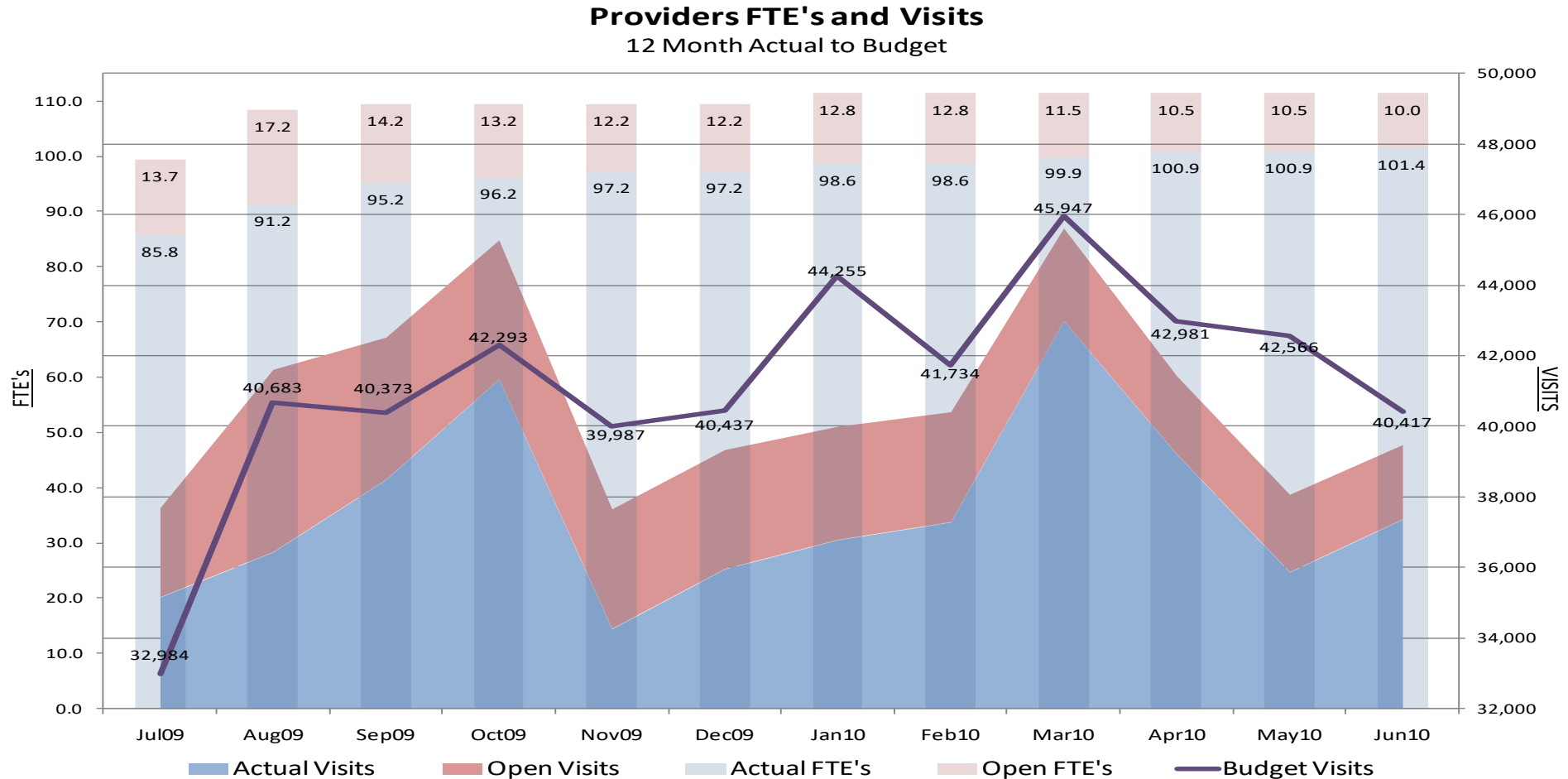
Year	Eagle Rock	East 3rd St	Echo Park	Hollywood
2017				
Jan	38.8	43.1	44.8	59.7
Feb	41.2	58.8	38.7	52.6
Mar	36.2	53.0	40.1	56.6
Apr	39.4	54.5	50.8	51.6
May	37.6	53.8	50.3	48.5
Jun	40.0	50.4	41.8	48.3
Jul	37.7	53.7	41.0	57.4
Aug	33.3	54.0	45.4	55.7
Sep	37.6	56.7	51.4	62.0
Oct	37.2	53.2	43.1	61.4
Nov	34.9	53.0	41.1	69.0
Dec	34.7	47.1	34.9	73.6
2018				
Jan	38.0	52.6	44.7	66.5
Total	37.3	52.8	43.6	58.1

Visits per Day by Provider (16)

Year	2017												2018	Total
Visit_Prov	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	
	15.7	15.2	13.0	13.8	13.0	11.5	14.6	11.5	12.7	11.5	11.3	10.7		13.1
	12.8	14.1	15.8	12.6	13.3	13.9	14.7	14.7	14.5	12.8	13.6	10.2	14.8	13.7
	14.2	12.2	13.8	12.2	10.8	16.0	15.3	13.1	13.6	10.8	9.8	10.2	9.8	12.6
	3.6	4.4	2.9	3.1	3.0	2.7	2.2	4.0	4.0	8.3	8.8	10.6	10.6	5.9
	16.9	14.5	13.4	14.4	13.6	15.2	13.4	13.2	14.4	15.2	13.1	14.2	11.8	14.1
	13.0	13.5	13.4	14.6	13.6	15.2	15.7	15.2	15.8	14.9	15.4	15.3	16.9	14.7
	12.2	12.3	12.6	11.9	13.0	13.9	11.7	10.9	12.3	12.6	13.3	12.2	12.8	12.4
	12.5	14.4	15.5	17.3	15.0	17.4	16.5	16.9	16.4	16.6	17.3	14.5	11.5	16.0
										7.3	10.2	10.5	11.8	9.9
										8.4	9.8	11.3	11.9	10.3
	17.6	17.4	17.1	16.1	15.1	17.5	18.1	17.4	17.3	18.0	15.9	15.8	15.5	16.9
			12.8	13.1	13.9	18.1	16.5	16.4	17.2					15.5
	15.9	15.1	13.9	15.0	14.2	13.5	15.7	14.4	15.8	14.2	14.4	14.6	15.1	14.7
	16.2	11.7	11.3	9.3	15.1	17.0	17.1	15.3	13.6	14.9				13.8
	14.1	14.5	14.3	13.7	12.2	13.4	14.2	13.4	14.4	13.0	13.7	12.1	18.0	13.5
	14.9	16.3	16.4	15.6	14.9	14.9	17.2	19.2	17.5	17.3	17.6	17.4	18.0	16.6
	12.0	15.3	16.5	14.9	13.5	14.3	13.9	13.8	11.4	14.0	12.3	10.3	12.1	13.1
								4.2	10.7	13.0	12.2	12.0	12.6	11.6
	14.5	15.7	14.9	14.9	13.9	16.2	15.5	15.6	16.7	17.2	16.4	15.3	17.6	15.7
	16.9	15.9	16.1	14.7	15.9	16.1	15.7	15.8	15.8	15.4	13.5	13.2	14.5	15.4
	19.6	19.9	18.2	17.0	16.5	18.4	16.7	17.3	17.1	17.4	16.3	17.4	16.5	17.5
	16.2	15.0	15.7	13.4	13.6	15.8	14.1	15.3	16.3	15.1	15.4	14.7	15.7	15.0
	15.4	15.0	14.8	14.9	14.5	15.8	13.6	15.3	14.0	16.0	16.0	13.7	15.8	14.9
								8.0	10.0	11.6	11.3	12.4	12.5	11.3
	13.8	13.6	12.5	9.7		11.4	14.0		13.0		12.0	10.0		12.5



Provider Vacancies Impact on Production



Note: The Visits only correspond to Billable Visits (Dept: 210 B.H., 220 Dental, 230 CAM, 240 Family Practice, 250 Internal Medicine, 280 OB/GYN and 340 Pediatrics)
Source: Finance Dept, Actual Visits: Provider Statistics Database, Open Visits: Provider Productivity Open FTE's Summary, Actual and Open FTE's: Productivity Budget, and Budget Visits: FY 2009 and 2010 Revenue Budget



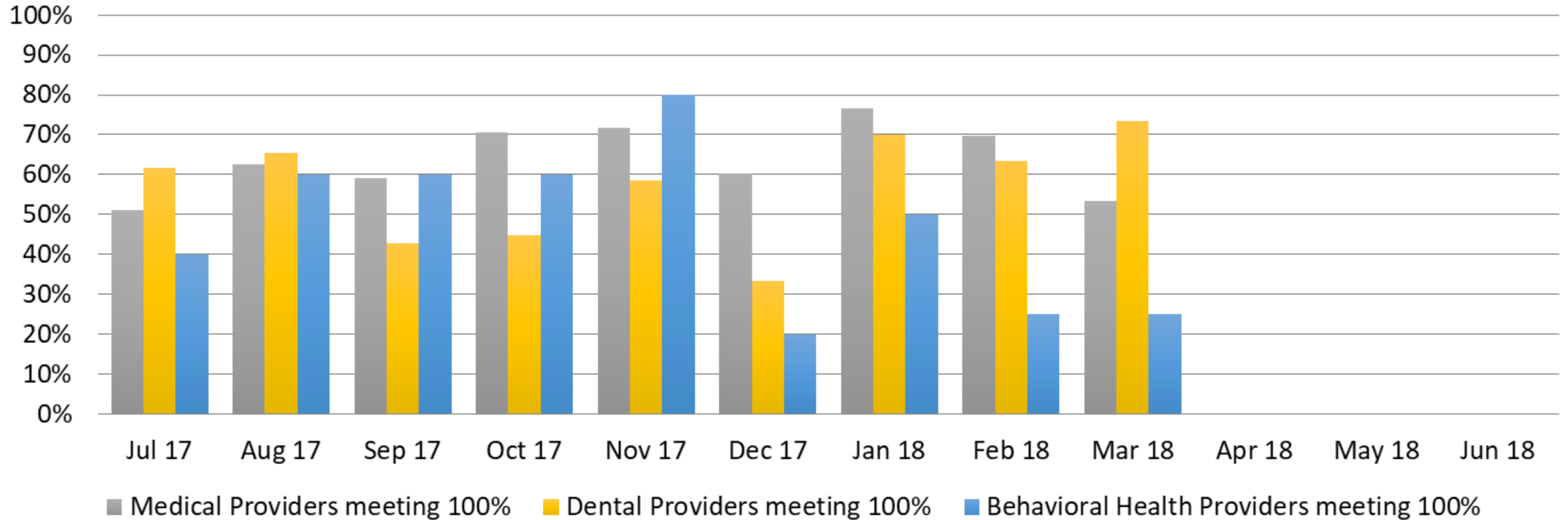
Tracking the Impact of Staffing, Compensation & Productivity

	2019	2020	2021	2022	2023
MA FTEs	17.0	18.0	17.0	16.0	20.0
Salary/Hour	\$ 14.00	\$ 15.00	\$ 17.00	\$ 20.00	\$ 23.00
Annual Salary	\$ 29,120	\$ 31,200	\$ 35,360	\$ 41,600	\$ 47,840
Fringe (21%)	\$ 6,115	\$ 6,552	\$ 7,426	\$ 8,736	\$ 10,046
Total Compensation	\$ 35,235	\$ 37,752	\$ 42,786	\$ 50,336	\$ 57,886
Cost to Health Center	\$ 598,995	\$ 679,536	\$ 727,362	\$ 805,376	\$ 1,157,720
MA FTEs/Provider FTEs	1.5	1.4	1.1	1.3	1.5
Provider Productivity	3,300	2,900	2,950	2,950	3,000
MA Cost per Visit	\$ 16.02	\$ 18.23	\$ 15.95	\$ 22.18	\$ 28.94
Cumulative % Increase		13.8%	-0.4%	38.5%	80.6%

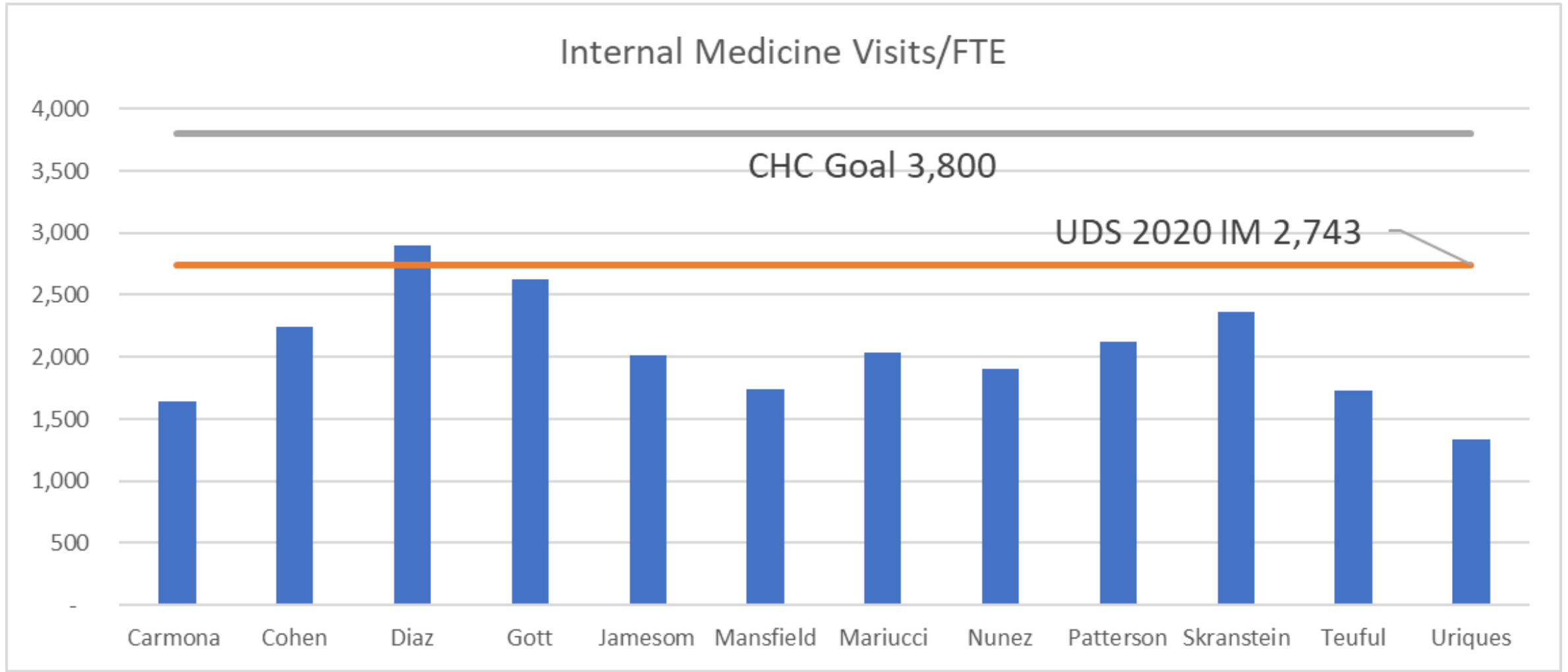


Productivity vs. Daily Target Rollup

PROVIDERS MEETING PRODUCTIVITY



Are Our Goals Correct?



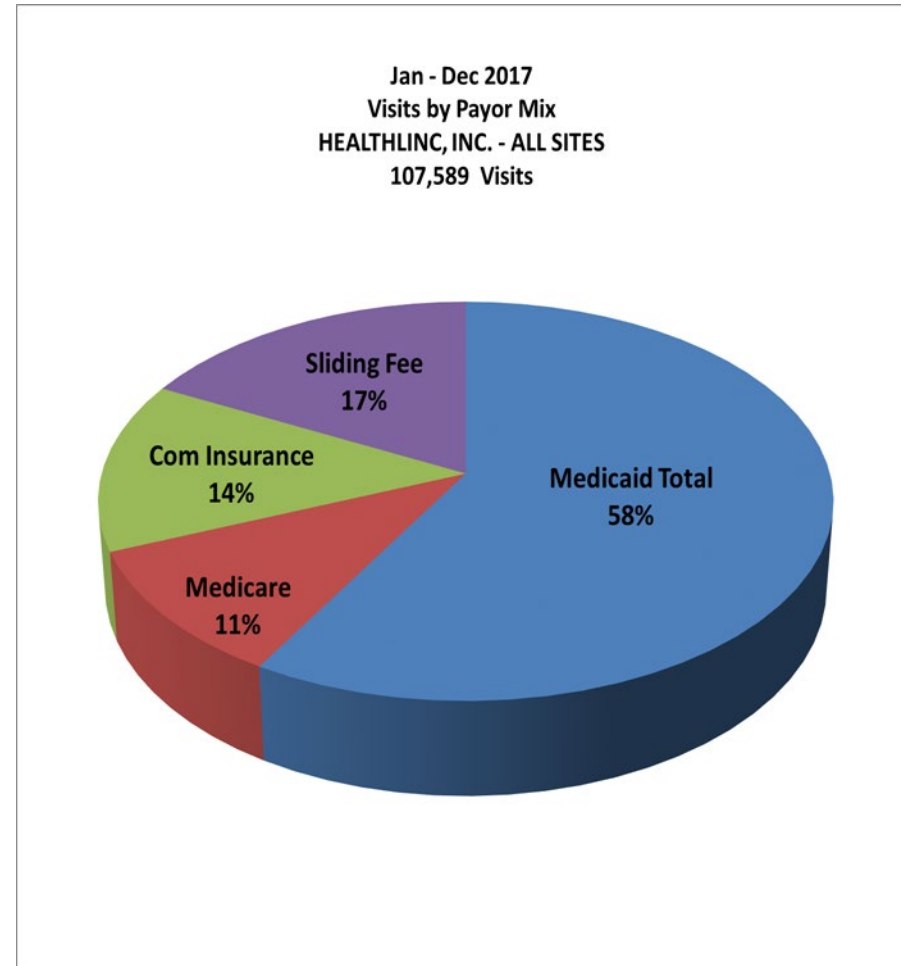
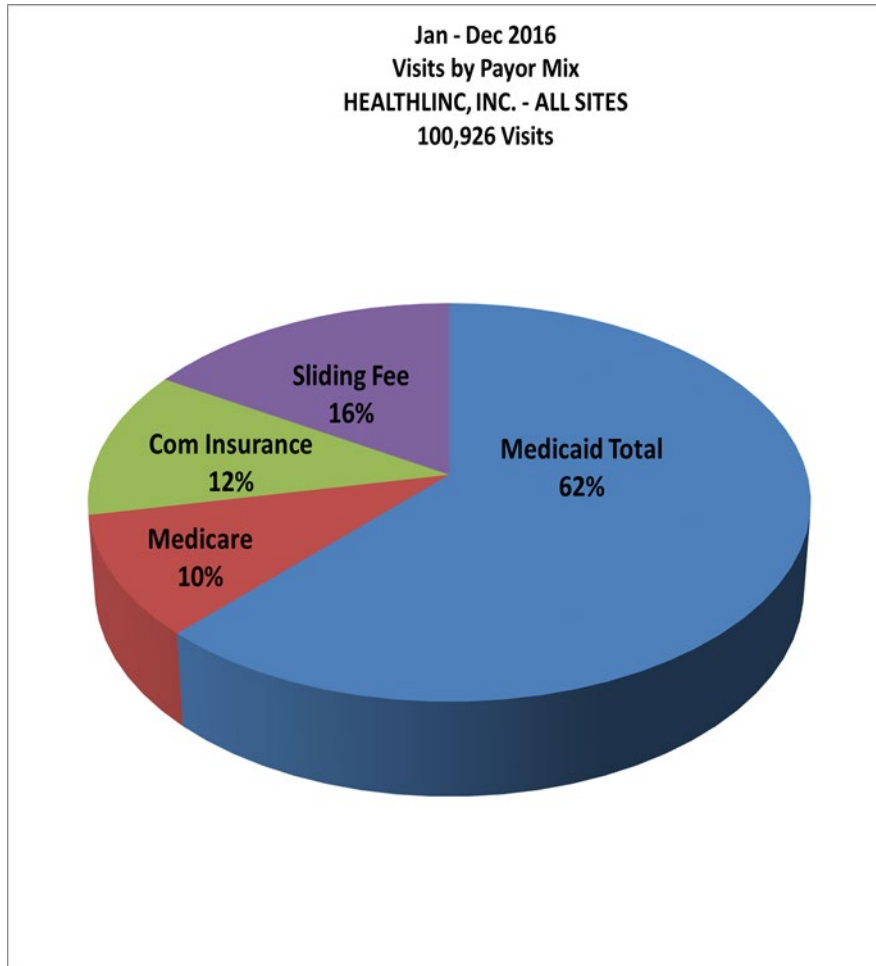
Payor Mix

Visits by Payor *Total Visits*

- Why is this an important indicator? - Because Medicaid and Medicare FQHC pays so much more than self-pay and commercials
- Why else is it important? – Identifies the effectiveness of operational outreach and enrollment efforts, and how it affects revenue bottom line.
- Can also run patient payor mix (leading indicator) and patient service revenue payor mix (trailing indicator)
- Medicaid redetermination



Payor Mix KPI



CFO Dashboard of Site KPIs

	Main	Main Urgent Care	Pine	West Charles	La Clinica	Rosco
Profitability						
Surplus/Deficit	\$ (1,826)	\$ (1,756)	\$ 830	\$ 1,028	\$ 1,610	\$ (704)
as a % of expenses	-18%	-52%	27%	9%	21%	-7%
Revenue Dynamics						
Total budgeted visits (Med + CAP)	30,213	9,025	10,020	30,396	18,109	26,009
% Visit Increase over prior year	21%	0%	30%	12%	6%	26%
Blended Rate (current year)	\$ 198.06	161.89	303.86	225.13	329.85	215.34
Medical Fee Revenue as % of Total Rev	78%	100%	84%	67%	75%	68%
340b Revenue \$	\$ 385	\$ 172	\$ 254	\$ 854	\$ 607	\$ 434
340b Revenue as % of Total Revenue	4%	11%	6%	7%	7%	5%
Grant Revenue						
330 Revenue\$	\$ 1,048	\$ -	\$ 488	\$ 1,228	\$ 781	\$ 1,016
330 Revenue as % of Total Rev	12%	0%	12%	10%	8%	11%
ARPA Grant Revenue \$	\$ 442	\$ -	\$ -	\$ 619	\$ 707	\$ 398
ARPA Grant Revenue as % of Total Rev	5%	0%	0%	5%	8%	4%
County Indigent Care Revenue \$	\$ 162	\$ -	\$ -	\$ 2,017	\$ 207	\$ 162
County Indigent Care as % of Total Rev	2%	0%	0%	16%	2%	2%
Payor Mix						
Medi-Cal	75%	57%	73%	67%	70%	76%
Medi-Medi	6%	4%	5%	12%	17%	6%
Medicare	2%	3%	7%	5%	5%	3%
Private	2%	7%	8%	6%	5%	5%
Uninsured / Other	14%	29%	8%	10%	3%	10%



CFO Dashboard

		Main	Main Urgent Care	Pine	West Charles	La Clinica	Rosco
Cost Dynamics							
	Provider Medical FTE (Paid)	13.84	5.19	4.22	14.37	7.67	11.33
	Provider Medical "Clinical Time" %	77%	94%	85%	65%	77%	91%
	Medical Productivity / yr /FTE)	3,055	2,148	3,030	3,470	3,316	2,912
	Staffing Ratios						
	MA: Provider Ratio (1.5 target)	1.85	0.49	1.27	1.99	2.17	1.96
	RN: Provider Ratio	0.17	0.20	0.21	0.48	0.49	0.34
	Referrals: Provider Ratio (.25 target)	0.37	-	0.21	0.31	0.17	0.29
	Front Desk Ratio (ADV)	0.05	0.06	0.05	0.05	0.05	0.05
	Med Records (ADV)	0.03	-	-	0.02	0.03	0.02
	Med Access Coordinators (ADV)	0.01	-	0.03	0.01	0.01	0.01
	Triage Assistants: Provider Ratio	0.09	-	-	0.26	0.38	0.10
	PopHealth Specialist: Provider	0.09	-	-	0.10	0.17	0.10

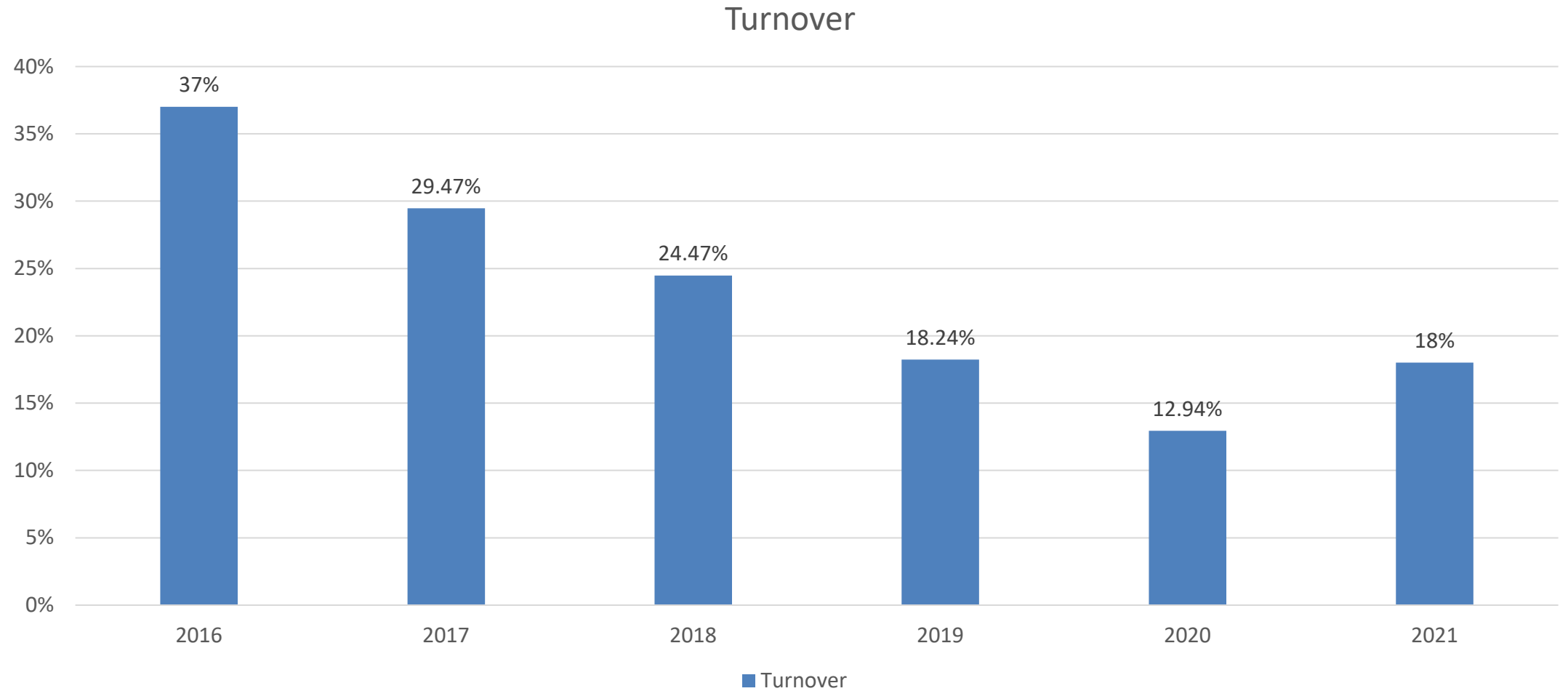
Helps CFO with hiring requests and budget



HUMAN RESOURCES KPIs



QHC Turnover



Employee Turnover KPI – Employee Tenure

Median

All employees: 2 years, 3 months and 15 days

Non-providers: 2 years, 6 months and 26 days

Providers: 1 year, 8 months

Mean (Average)

All employees: 4 years, 5 months and 18 days

Non-providers: 4 years, 7 months and 22 days

Providers: 3 years, 7 months and 8 days

Need to measure by position, especially high turnover positions such as front desk clerk and MA. Also need to measure the percentage of employees who don't make it past the probationary period.



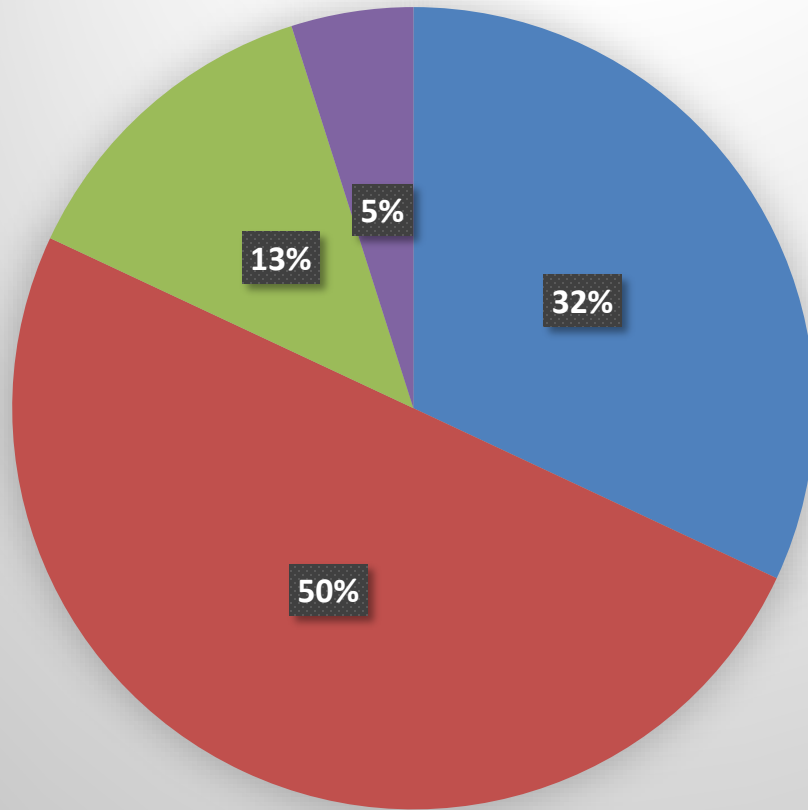
Applicant Flow Log (AFL)

Req	Job Title	Location	Candidate	Recruiter	Former Employee's		Req Date	Offer Date	Source	Time	Background	Bk	Time	Phy	Time	Hire Date	Status	Decline Reason	Days to Hire
3577	Scheduling Coordinator	Administration	Minnie Mouse	Mary	New	Gloria Gonzalez	9/7/2018	9/13/2018	6		9/26/2018	13		10/22/2018	26	10/25/2018	Hired		48
3695	Pharmacy Tech	East LA	Snow White	Anna	New	Maria Gomez	9/12/2018	9/25/2018	13		N/A	N/A		N/A		9/25/2018	Transfer		13
3049	Medical Assistant	Echo Park	Winnie-the-Pooh	Julie	Jack Hastings	Laura Brighton	7/6/2018	8/28/2018	53		9/11/2018	14		9/18/2018	7	9/20/2018	Hired		76
3576	Dental Assistant	Hollywood	Buzz Lightyear	Julie	Craig Burns	Donna Doog	5/4/2018	9/5/2018	124		N/A	N/A		N/A		N/A	Declined	Took too long to hire	139
3569	Podiatrist	Echo Park	Pluto	Ellen	Dick Clark	John Doe	8/3/2018	8/21/2018	18		9/12/2018	22		9/18/2018	6	9/20/2018	Hired		48
3255	Senior Data Analyst	Administration	Mulan	Anna	Woody Smith	Arne Mendelson	7/1/2018	8/22/2018	52		9/5/2018	14		9/17/2018	12	9/20/2018	Hired		81
3252	Sr. Accountant	Administration	Elsa Princess	Mary	Harry Styles	Dennis Trent	8/23/2018	8/24/2018	1		9/4/2018	11		9/17/2018	13	9/20/2018	Hired		28
3314	Patient Services Representative	Echo Park	Mickey Mouse	Julie	Mary Contrary	Mike Johson	8/7/2018	8/28/2018	21		9/14/2018	17		9/18/2018	4	9/20/2018	Hired		44
3544	Patient Care Advocate	East LA	Olaf	Anna	Jackie Robinson	Janet Snoden	7/1/2018	9/5/2018	66		9/11/2018	6		9/18/2018	7	9/20/2018	Hired		81
3301	Medical Assistant	East LA	Cheshire Cat	Anna	New	Janet Snoden	7/1/2018	8/8/2018	38		8/28/2018	20		9/6/2018	9	9/20/2018	Hired		81
4168	Physician OB/GYN	East LA	Peter Pan	Anna	New	John Doe	7/1/2018	8/16/2018	46		N/A	N/A		N/A		N/A	Declined	Pay rate	46
4106	Physician (Family Medicine)	Echo Park	Lighting McQueen	Anna	New	John Doe	7/1/2018	10/6/2018	97		N/A	N/A		N/A		N/A	Declined	Pay rate	103
3315	Patient Services Rep	Hollywood	Captain Hook	Ellen	New	Rachel Lima	7/1/2018	10/8/2018	99		N/A	N/A		N/A		10/8/2018	Transfer		99
	Physician (Family Medicine)	Echo Park	James P. Sullivan	Julie	New	John Doe	7/1/2018	10/9/2018	100		N/A	N/A		N/A		N/A	Declined	Location/commute	62
3298	Medical Assistant	Eagle Rock	Jack Skellington	Mary	New	Laura Brighton	7/1/2018	10/8/2018	99		N/A	N/A		N/A		10/8/2018	Transfer		1565
3253	Data Analyst	Administration	Pochahontas	Mary	Jane Smith	Arnie Mendelson	7/1/2018	9/5/2018	66		9/13/2018	8		10/9/2018	26	10/11/2018	Hired		37
3578	Executive Assistant	Administration	Eeyore	Julie	Tinker Bell	John Doe	8/31/2018	9/13/2018	13		9/26/2018	13		10/9/2018	13	10/11/2018	Hired		41
3300-I	Medical Assistant	East 3rd	Genie	Ellen	New	Janet Snoden	9/7/2018	9/10/2018	3		9/18/2018	8		9/28/2018	10	10/11/2018	Hired		35
3310-I	Medical Assistant	Echo Park	Gaston	Mary	New	Laura Brighton	7/1/2018	9/7/2018	68		10/4/2018	27		10/8/2018	4	10/11/2018	Hired		37

* Note that this is a manual report; payroll/HR system may be able to automate



Recruitment Stats



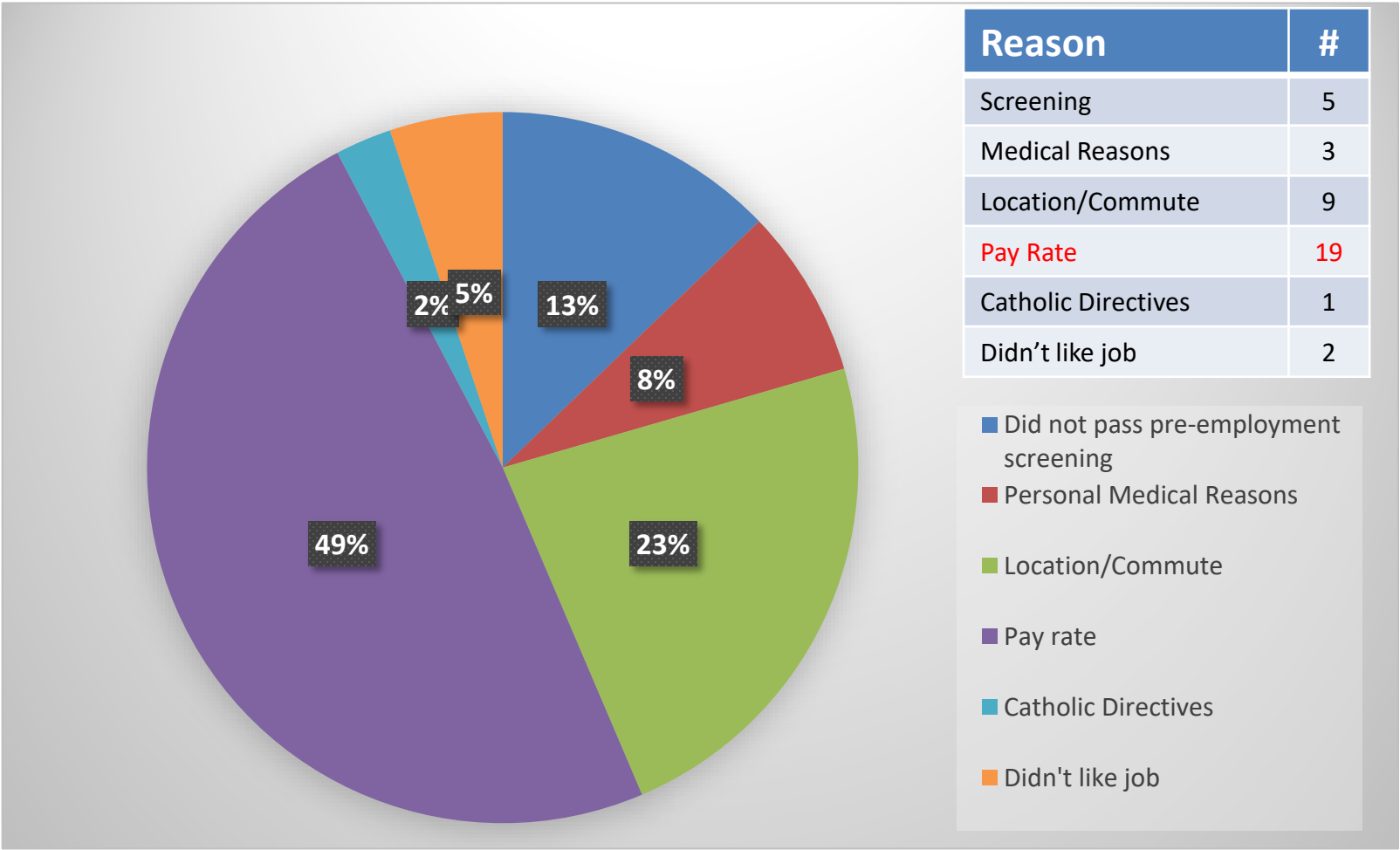
Status	#
Declined	39
Hired	61
Promoted/Transferred	16
Rejected/Rescinded	6

- Declined
- Hired
- Promoted/Transferred
- Rejected/Rescinded

January Onboard Totals		
Julia	1	1
Christina	5	388
	6	194.5
February Onboard Totals		
Julia	1	1
Christina	5	77
	6	39
March Onboard Totals		
Julia	3	456
Christina	2	334
Internal Hires	2	0
	7	263.3
April Onboard Totals		
Julia	3	65
Christina	3	183
Internal Hires	2	0
	8	82.67



Declined Offers



Declined for pay positions:

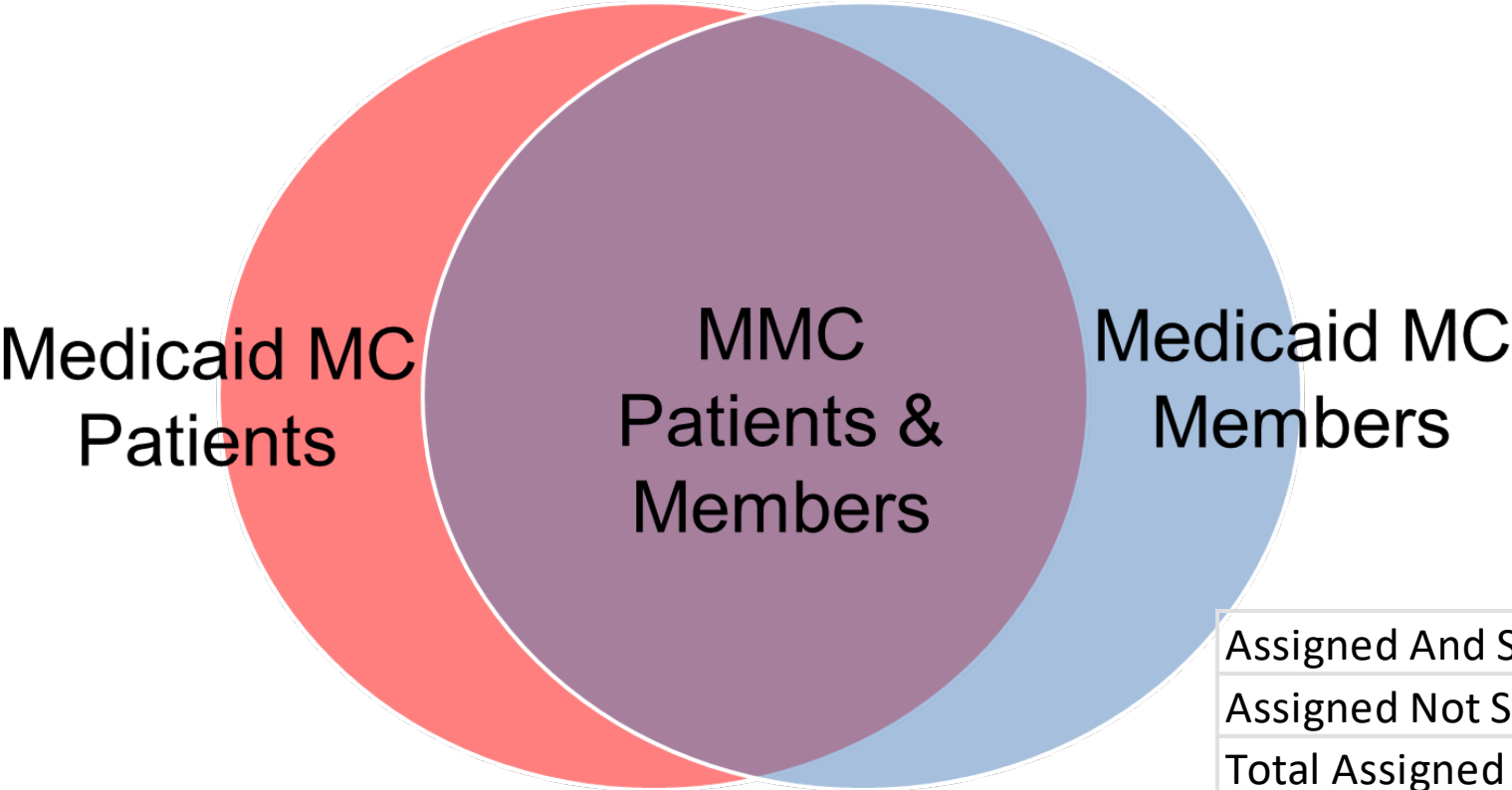
Medical Assistants – 12
LVN – 4
Physicians - 3



P4P KPIs



P4P KPIs



Assigned And Seen	18,770	57.2%
Assigned Not Seen	<u>14,066</u>	42.8%
Total Assigned members	32,836	
Seen Not Assigned	869	
Member Months	369,072	
Member Months Per Member Per Year	11.2	

Developed by comparing lists of unique Medicaid ID#s from member file and claim file



P4P KPIs – Site Assignment

Site	Visits 12MMPY
Westside	5.86
Homeless	5.51
Main	1.55
Franklin	1.46
Redlands	3.65
St Helene	1.52
Watertwon	0.07
Total	2.28



P4P Quality KPIs

HEDIS Measure	Eligible Population	Non Compliant	Non Compliant %	Compliant	Compliant %	MPL	HPL	Members Needed For MPL	Members Needed For HPL
Current Year Data									
ABA - Adult BMI	1288	167	12.97%	1121	87.03%	88.6%	92.5%	21	71
AMR - Asthma Medication Ratio	16	1	6.25%	15	93.75%	62.3%	67%	0	0
BCS - Breast Cancer Screening	201	103	51.24%	98	48.76%	58%	64.1%	19	31
CBP - Controlled Blood Pressure	326	145	44.48%	181	55.52%	58.6%	65.8%	11	34
CCS - Cervical Cancer Screening	1205	446	37.01%	759	62.99%	60.1%	66%	0	37
CDC HbA1C - Controlled Diabetes HbA1C Testing	220	41	18.64%	179	81.36%	87.8%	90.5%	15	21
CDC Control >9% - Controlled Diabetes >9%	220	159	72.27%	61	27.73%	38.2%	33.1%	0	0
CHL - Chlamydia Screening	125	51	40.80%	74	59.20%	56.1%	65.4%	0	8
CIS 10 - Vaccinations Combo 10	68	59	86.76%	9	13.24%	35.3%	40.9%	16	19
IMA 2 - 3 Vaccines by Age 13	38	22	57.89%	16	42.11%	31.9%	37.7%	0	0
PPC Pre - Prenatal Care	89	18	20.22%	71	79.78%	83.2%	87.1%	4	7
PPC Post - Post Partum care	89	21	23.60%	68	76.40%	65.2%	69.3%	0	0
SSD - Diabetic Screening for People using Antipsychotics	31	6	19.35%	25	80.65%				
W30 - Well-Child visits for Age 15 Months-30 Months of life	217	146	67.28%	71	32.72%				
WCC BMI - Weight Counseling BMI Only	498	52	10.44%	446	89.56%	75.6%	82.6%	0	0
WCC - Nutrition Counseling	498	215	43.17%	283	56.83%	59.85%	83.45%	16	133
WCC - Physical Activity for Children/Adolescents	498	211	42.37%	287	57.63%	52.31%	78.35%	0	104
WCV - Well Child 1 visit for Ages 3-21	1137	572	50.31%	565	49.69%				



Potential P4P

2020 Actual Results				
MCO incentive report showed CHC in the 74th percentile of FQHCs, highest HEDIS score was 57.73%				
A	B	C (Ax B)	D (MCO Incentive Pool/ C)	E (C x D)
HEDIS Performance Score	Medicaid Membership	Member Points	Dollar Value/ Member Points	Incentive Payment
33.18%	27,392	9,089	\$50.70	\$460,812.30
			Total Member Mths	329,152
			PMPM Equivalent	\$1.40
			Clinic Group Median	\$ 0.91
			Clinic Group Peer Group Max	\$ 2.44



Potential P4P

Projected Scenarios				
Current MCO incentive bonus pool is \$22,000,000				
A	B	C (Ax B)	D (CHC Incentive Pool/C)	E (C x D)
HEDIS Performance Score	Medicaid Membership	Member Points	Dollar Value/ Member Points	Incentive Payment
	As of 7/15/22		As of 7/15/22	
40.0%	32,545	13,018	\$43.02	\$560,000
50.0%	32,545	16,273	\$43.02	\$700,000
58.0%	32,545	18,876	\$43.02	\$812,000
85.0%	32,545	27,663	\$43.02	\$1,190,000
100.0%	32,545	32,545	\$43.02	\$1,400,000





Curt Degenfelder Consulting, Inc.

curt@degenfelderhealth.com

(310) 740-0960

www.degenfelderhealth.com

