

Planning and Creating Successful Adult Day Services and Other Home and Community-Based Services

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Introduction

Consumer demand is increasing for flexible, responsive home and community-based services (HCBS), including adult day services, as options to institutional care. The growing numbers of elderly, and federal and state efforts to meet consumer demands and decrease costs of overall long-term care services, have led to an expansion of adult day and home and community-based service programs. This has created opportunities for new and current providers to develop or expand services. It has also created a dynamic, changing climate that challenges all long-term service providers. Challenges include increased competition for consumers and contracts with funding sources, more informed and empowered consumers, and changes in rates or availability of funding.

There are many types of home and community-based services. Each organization's approach to service delivery is somewhat unique within the business climate of the community in which it exists. To position themselves for the future, home and community-based service providers, including adult day services, must understand their market and be willing to adapt to changing market needs. To be able to do this, providers must have good business practices to support their mission.

This paper provides an overview of factors to consider in creating viable adult day services and home and community-based service programs. The aim is to provide a simple yet comprehensive guide to developing an organizational plan of action. Many of the topics reviewed, such as marketing, leadership and strategic planning, have had volumes written about them. This document highlights essential information to consider, and suggests additional resources. The basic information presented here is directed to all HCBS providers, but is most specific to adult day service (ADS) providers.

Types of HCBS Programs and Services

For the purposes of this paper, HCBS refer to providers of an array of health and support services provided to individuals in their homes or communities. Most often, HCBS programs provide more than one type of service. For example, adult day providers may also include baths and other personal care, and home care providers may include case management and handyman programs. Types of HCBS programs include:

- Adult day services, medical and/or social (previously termed “adult day care”)
- Case management (or “care” management)
NOTE: Many states use a case management system organized through state services or Area Agencies on Aging to become the single point of entry to access all state and federally reimbursed services.
- Home care agencies
- Home health agencies (Medicare-certified)
- Hospice
- Meals programs: home-delivered and congregate
- PACE (Programs of All-Inclusive Care for the Elderly)
- Senior centers
- Transportation: para-transit and community

Each service listed above may have a slightly different definition based on the funding source(s) accessed. For example, home care is often a generic term used to describe care provided in a person's home. However, Medicare-certified home care agencies are known as home health agencies, and provide Medicare-reimbursed skilled care requiring at least part-time skilled nursing care or speech/physi-

cal/occupational therapies. In contrast, funding for home care through the Older Americans Act does not require skilled care; rather, the term “home care” is inclusive of other services offered, such as personal care, case management, homemaker and in-home respite services.

Adult day service (ADS) programs can be medical/health or social, or a combination. Medical ADS programs provide the same services as social models, but include a nurse on staff and offer health and medication monitoring. Core services that most successful ADS offer include therapeutic activities, meals, transportation, social services and education. Medical/health adult day service providers include nursing as a core service. Centers typically contract with other organizations to provide at least one or more of the core services, particularly transportation and meals. Transportation services, if provided directly by the center, require a large financial commitment; however, lack of accessible transportation can be a barrier to using the service. If meals are prepared on site, additional environmental requirements may apply. Optional services an adult day center might consider offering include baths/showers, hair care, rehabilitation therapies, medical escort, tracheotomy care, injections, etc.

Persons Adult Day and HCBS Programs Serve

Traditional adult day and HCBS target populations have been older individuals, age 60 and over, and include:

- Individuals who are physically or cognitively impaired and unable to perform their activities of daily living (ADLs) independently
- People with chronic health problems who require regular health or medical supervision
- Adults newly discharged from an acute care hospital or rehabilitation center

New Target Populations

Older persons with disabilities—physical, developmental and cognitive—are needing and using home and community-based services in greater numbers.

This is partly because advances in medical treatment have enabled individuals with developmental and intellectual disabilities to live much longer than ever before possible. Some ADS providers have responded to this unmet need by offering specialized programming for older adults with mental retardation or developmental disabilities (MR/DD).

Recent federal and state initiatives have also increased the number of younger persons with disabilities receiving health and supportive services in their homes and communities. These include persons with physical, developmental, cognitive and psychiatric disabilities. Many of these individuals may be best served by a combination of adult day and HCBS programs, while some may need very specialized services and supports. Attention should be given particularly to staffing and facility set-up when multiple target populations are mixed, such as older adults and younger adults with developmental or intellectual disabilities.

Assessing the Market/Community

Understanding the market and community is essential to establishing and maintaining an adult day or home and community-based service program. A community assessment produces a snapshot of critical factors to be considered in estimating the need for and potential utilization of a service or program. It can provide the information you need to develop or expand a specific service, or help you decide what new service or program would be most successful. Important considerations in this decision process are assessment of the population trends, particularly as that relates to the population you serve, and the service environment.

Give careful consideration to each of the following components in order to reach a realistic and objective conclusion: demographics; types of existing and potential services; service trends; needs and demands exhibited by documentation and interviews; availability of funding; observations of existing programs or services; the competition; the strengths and weaknesses of the potential adult day or HCBS provider agency; and risks or threats to providing programs or services.

Determining Need and Demand for Services

There are numerous things you can do to determine the need and demand for your services. These include reviewing population and service trends, interviewing staff of state and local agencies and associations, conducting focus groups and assessing the competition.

1. Review population and service trends.

Understanding current and expected future trends in the business on a national, state and local level helps build a project's foundation. Data that substantiate need for services include:

- Demographic information from the national census, available for review at www.census.gov

2. Conduct interviews. Seek input from a diverse sampling of area agencies and stakeholders. A logical place to start is to contact other agencies that deliver services to the same target population(s), since they could be primary sources of referrals or potential collaborators. Agencies and providers to consider involving in the community needs assessment include, but are not limited to, the following:

- Alzheimer's Association (local, state or area agency)
- Disease-specific associations or caregiver support groups (Parkinson's, Multiple Sclerosis, Muscular Dystrophy, Arthritis, League for the Blind, Association for Retarded Citizens, etc.)
- Area Agencies on Aging
- Centers for Independent Living
- Councils on Aging
- Departments of Social Services (state offices)
- Vocational Rehabilitation providers
- Discharge planners and social services professionals of local hospitals or health care facilities
- Physicians specializing in geriatrics, family practice or other specialty groups related to your target population(s)
- Mental health service providers

- Veterans Administration
- Senior Center providers
- Meals on Wheels programs
- Head trauma groups
- State and local provider and consumer agencies, including AAHSA and NADSA state affiliates
- Local YMCAs/YWCAs
- Friends, family members, other service users, mail carriers and clergy, since they can serve as informal referral sources, as well.

3. Create a list of pertinent questions to be asked. For interviews or focus groups with potential referral sources, consider the following questions:

- Are you familiar with the specific service we are thinking of providing? (This is particularly important if dealing with adult day services or less familiar services.)
- Do you have a general idea of the benefits to participants of the service we are suggesting?
- Are you aware that the service we are suggesting includes such components as (fill in the blank with what is relevant to the service)? For adult day services, this may be bathing, medication and vital signs monitoring, etc.).
- Do you perceive a need for the service in this area?
- Would you refer your clients/family members/friends to this service?
- What would you want the service to look like if your family needed it?
- What would make the service more accessible for your clients/family/friends?

If the potential service being considered is adult day services, the following questions could be added to the list:

- Do you know someone who needs daytime supervision but stays home alone?
- Do you have someone in mind you would refer to an adult day services center?

- How familiar are you with adult day services
- What specific services would your clients need to have access to while at the adult day center, e.g. bathing, wound care, injections, blood sugar level monitoring, medication administration, support group, counseling, therapeutic activities, life skills training/maintenance, or other?

4. *Conduct focus groups.* Focus groups can provide valuable information and insights about the community. A successful focus group usually is a group of 10 to 15 people who are not acquainted with one another and have different backgrounds. Consider using a qualified outside facilitator to run the group. This tends to foster unbiased and accurate feedback from group members. If possible, offer a meal, snacks or small stipend to motivate increased attendance. Invite attendees with a personal letter of invitation that describes the purpose of the group, date, time and location. Consider audio-taping the session but be sure to get signatures for permission to do so from each group member. Honor the original time parameters to be respectful of the time commitments of participants. Follow up attendance at the group promptly with a thank you note.

5. *Summarize the responses from the group and respondents.* Record the responses from interviews and focus group. This provides a source of information for development of marketing and program materials, as well as for future reference in writing business plans to attract funding for the service.

6. *Observe existing programs and services.* Visit other organizations already providing the proposed programs or services, whether locally or in nearby counties or states. Observe the programs or services in action. This is particularly important if adult day services are being considered. Every center is different, even multiple centers managed by the same company. Remember, policy and procedure manuals do not give adult day services their personality; the people do.

7. *Consider the competition.* Identify all the home and community-based service providers in your area. Review their services and markets to determine if they are competitors or potential collaborators.

Determine what is unique about how the competition provides services and what your organization would do differently.

8. *Assess risks and/or threats.* Identify factors, such as competition or size of the target population, that may jeopardize the project's success. Consider the availability, accessibility and volatility of funding, both private and public, to support the services.

Defining Your Target Population

The consumer market must be large enough to sustain your home and community-based service program. Adult day services and HCBS agencies often serve multiple groups based on community needs, agency mission and available funding to support services for these groups. Target populations directly influence programming, staffing and marketing efforts. For example, there are many adult day service centers that target their markets to reach certain high density areas of ethnic groups (Russian immigrants, Asian immigrants, Native Americans, et al). Other centers define their market niche by serving younger adults with physical disabilities.

Defining your target population is essential. For Adult day services and HCBS providers of long-term care services, this is usually the older adult population, which is generally thought of as the population aged 65 and over. However, programs and funders differ on the minimum age of eligible individuals. For example, Medicare uses a minimum age of 65, but also provides benefits for qualified younger adults with disabilities. Older Americans Act programs use a minimum age of 60. Medicaid provides reimbursement for long-term home and community based services, particularly personal care, to eligible individuals of any age. So, in defining your target population, you need to know area demographics as well as what funding sources are available.

Some providers may choose niche markets or diagnosis-specific markets, such as persons with Alzheimer's disease or other dementias, multiple sclerosis, HIV/AIDS or developmental disabilities; frail elderly with no dementia; persons who are chronically mentally ill; those with physical disabilities but no cognitive deficits; persons with traumatic brain injury, etc.

The challenge in targeting one or two specific diag-

nostic groups is filling the roster to attain maximum financial viability. Diagnosis-specific ADS centers located in large metropolitan areas often thrive if there is a stable funding stream for the targeted population. Also, some states have consistent, stable funding to support care for people with psychiatric disabilities, developmental disabilities, profound physical disabilities or other specific, identified needs. These state-funded initiatives create opportunities for providers willing to look beyond their traditional markets.

Assessing Availability of Funding Sources

Funding for adult day and HCBS is nearly as varied as the types of services offered. It is important to identify the types of funding sources that exist for your services, and how available these are. For example, the Older Americans Act reimburses a range of home and community-based services including adult day care, but to receive Older Americans Act funding, you need to have a contract with an Area Agency on Aging. Consequently, you need to know when and how to apply. Under Medicaid, most home and community-based services are funded through Medicaid HCBS 1915(c) waivers. Besides becoming a Medicaid-certified provider, you need to know if there is a waiver that covers the population you want to serve, and if there are available slots or a waiting list.

Diversified funding is a necessity since there are so many types of funders, and all have specific requirements and limits for reimbursing for services. For example, the Veterans Administration reimburses adult day services, but may limit coverage to two days a week. Fee for service (private pay) continues to be a primary revenue source for adult day and home and community-based providers. Private insurance is a growing source of funding.

An overview of potential funding sources is discussed below under the “Revenue Streams” heading. More in-depth information on funding sources and revenue streams is available in the AAHSA technical assistance brief titled *Funding Home and Community Based Services: The Building Blocks and How to Assemble Them*. It is available on the AAHSA Web site at http://www.aahsa.org/pubs_resources/papers_articles/default.asp.

Some Start-Up Basics

Once you have decided to pursue development or expansion of an adult day or home and community-based service, there are numerous things to decide and prepare for. These include basic start-up needs such as review and preparation for licensure or certification; decisions about tax and affiliation status; the location and geographic boundaries for your services; and a good financial analysis and understanding of the unit cost of services.

Licensure and Certification

HCBS agencies must explore federal, state and local requirements for licensure and certification of each type of service to be provided. These requirements often are different state to state. Specific information can be found within state health departments, health and human services departments or state health care licensing bureaus. State HCBS member associations may be helpful in identifying state requirements. There are often additional requirements and certifications to be met for specific funding sources such as Medicaid and Medicare

Some states continue to use a “certificate of need” as a criterion for adult day services start-up. Most states have guidelines for operating an ADS center, even if they do not require licensure or certification. Many states have fees associated with licensure or certification. If the state does not have current operating standards and guidelines, consider ordering the National Adult Day Services Association’s (NADSA) *Standards and Guidelines for Adult Day Services* (order information available at www.nadsa.org) or the CARF (Commission on Accreditation of Rehabilitation Facilities) *Adult Day Services Standards Manual* (order information available at www.carf.org).

Tax Status

A major decision for a new business is how to structure the organization. A business should expect to pay taxes on all profits unless approval has been granted by the Internal Revenue Service (IRS) to establish the organization as a not-for-profit. The majority of adult day service centers are private, not-for-profit (79%), a status that has given these centers access to grants and foundation project dollars. The primary differences in not-for-profits and for-profits relate to governance, the ability of not-

for-profits to attract money from grants and foundations, and how profits are used or disbursed.

Governing Body

Structuring the governing body differs in for-profit, not-for-profit and public agencies. In a private, for-profit organization, the responsibility for management may lie with either a single owner or a board of directors. Private, not-for-profit organizations must have a board of directors, based on the program's status as a 501(c)(3) organization as defined by the IRS. Public agencies have a board that governs the organization, although administration for some programs or services may be delegated to an advisory board. When an organization is governed by a board, the overall responsibility of the board generally will be the same regardless of the program's size, location or other attributes.

Not-for-profit boards have two fundamental responsibilities: governance and support. Acting as the formal representative of the public, the board governs and provides oversight to the organization. At the same time, board members as individuals support the organization by volunteering, raising money and advising. Successful private, for-profit organizations establish advisory boards. An advisory board's responsibilities are more loosely defined. The advisory board usually does not have any legal authority over the organization unless board members are co-owners of the business.

A dynamic board or governing body is the organization's link to the outside community.

Responsibilities of a board of directors may include, but are not necessarily limited to, hiring and evaluating the performance of the executive director; establishing operating policies; approving operating procedures or defining a line of authority that allows executive staff to define procedures that implement policies; reviewing and overseeing financial affairs; ensuring compliance with all relevant laws and regulations governing the organization; and overseeing a quality assurance plan.

Today's board culture has changed as leadership expectations have changed. Board leadership is not about "command and control" but about facilitating, coaching, modeling, teaching and providing stewardship. The hands-on board may be key to the

center's success.

Affiliation

Affiliating with a larger "parent" organization such as the American Red Cross, National Easter Seals, Salvation Army or a faith community can provide resources that might otherwise not be available. For example, affiliating with an established organization should produce a more immediate audience for promoting services, since those organizations likely have established relationships in the community.

While affiliation should mean gaining support, it also means losing some control in decision making. An example would be if a parent organization limits the age of clients served to 60+, while an adult day service intends to serve people 18+. Approximately two-thirds of existing adult day services in the United States are affiliated with larger organizations.

Geographic Boundaries

Geographic boundaries for programs and services are often defined by transportation time. For example, home care services may be determined by distance in miles or the length of time a worker may spend to travel to a client. For adult day services centers, consideration should be given to a reasonable travel distance for the adult day participants. Rural communities might expect the distance traveled to be greater while the commute time may be less than that in urban areas. It is not unusual for county lines to be crossed so services can be accessed. Adult day services industry standards suggest that travel time for participants should not exceed one hour.

Location of Facility or Service Site

Location differs in importance among providers. For programs such as home care or home health, in which the service comes to the client, the location is less important. For services such as adult day or senior center programs, in which the participant comes to the service, the site is more important.

The location of the building strongly influences accessibility, as well as potential service users. An outdoor area accessible to participants enhances the therapeutic value of the program. Major consideration must be given to the safety of the surroundings (traffic, crime) and the reputation of the build-

ing and the area. For example, locating in a former funeral home may cause marketing problems for natives of the area. Locating in an upper-class neighborhood may create the perception that services are restricted or costly. Locating in a nursing home could heighten the anxiety of people who fear they will be moved there permanently.

Co-location, on the other hand, may bring economies of scale, thus reducing the cost of facilities or staffing. For example, sharing space, emergency equipment, office equipment, etc., may save on overhead costs.

Hours and Days of Operation

To succeed, organizations must establish hours and days of operation that meet the needs of their customers. Consider the results of a market/community assessment when establishing hours and days of operation. A 2002 survey of adult day service centers found that one indicator of success was having operating hours earlier and/or later than normal business hours. Factors to consider in determining hours and days of operation include the following:

- Hours most commonly needed by working caregivers
- Commuting times
- Shifts at most commonly worked companies
- Holidays most often worked by working caregivers
- Days of the week most often worked by working caregivers
- Interest of family caregivers in using evening and weekend services

Revenue Streams

Diversification of funding in home and community-based programs is essential because of the wide range of funding sources for these programs and services, and because revenue streams can change. Diversifying revenue protects the organization if there are sudden shifts in the market or a funding source diminishes. For example, some states have reduced state funds for ADS, as well as cut Medicaid rates and funding for many home and community-based services, due to fiscal crises experienced in the

past several years. Developing diverse funding sources requires vision, creativity and knowledge of the field.

Financing should reflect diversified funding sources that include operating and non-operating revenue. While grants or loans may help get a center or service started, the objective in successful business practice is to increase the amount of money generated by operating revenue, such as participant fees, and reduce the amount of non-operating revenue, such as grants and loans. Operating revenue should generate at least two-thirds of the organization's budget.

The traditional array of funding options for operating revenue includes but is not limited to:

- Medicare (most commonly for home health and therapy services)
- Medicaid waiver programs, including personal care services
- Private pay/out of pocket
- Older Americans Act (Title III)
- Social Services Block Grants (Title XX)
- Child and Adult Care Food Programs (CACFP, USDA)
- Veterans Administration
- Budgeted state-specific funding programs
- County tax levies

More recent developments in funding mechanisms include such sources as:

- Family caregiver support from the Older Americans Act (Title III E)
- Long-term care insurance plans
- Asset protection long-term care plans
- Managed care programs

Common non-operating revenue options include grants, foundation funding and United Way. The availability, accessibility, regulation and scope of all funding sources can vary significantly, affecting a client's care and the organization's financial plan. Limitations imposed on funding by public payers, such as limiting the number of days per week and

maximum hours per day that a client can receive services, is further reason for diversifying funding. This fragmentation of revenue streams requires persistence to understand and creativity to establish both an acceptable plan of care for clients and an equitable funding stream for the service provider. Thus, it becomes necessary for some clients to receive care based on a mix of payers, such as private pay and state-specific funding programs. On average, ADS centers report 38% of all revenue coming from third-party public reimbursement. The most commonly reported sources of revenue for third-party public reimbursement were Medicaid home and community-based waivers; state or local programs; and USDA/CACFP.

Unit Costs

Understanding unit costs for home and community-based services is increasingly important in today's market. It is necessary for setting adequate rates for services, developing proposals and contracts for funding, and controlling costs. It is also important for planning and accessing credit when needed. Depending on the type of home and community-based service, the unit cost could be a trip, or an amount of time. This should be tailored to reimbursement practices. For example, many funders of adult day services reimburse for a day or half day of service per individual. For ADS providers, therefore, the unit cost should be per participant per day or half day of service.

The simple formula for calculating unit cost requires three steps based on basic arithmetic: (1) identify expenses, (2) define units, and (3) divide the expenses by service units. For example, if your transportation costs for the year were \$21,000, and you make 2,500 trips, your unit or per trip cost would be \$8.40, or $\$21,000/2,500 = \8.40 . Calculating costs includes identifying all costs, both variable and fixed. This total is divided by operating days, and then by the number of expected participants.

There are two ways to decrease unit cost: either decrease expenses or increase units. Factors that can decrease expenses include decreasing staffing during off-peak hours, increasing utilization of services and sharing expenses, such as accounting, with other organizations.

Contractual Arrangements for Services

It is not always necessary for an organization to provide all the services directly in order to meet the needs of its customers. At times it is more efficient to provide services through collaborative efforts with other community agencies, and in some cases that allows for additional services that may attract new customers and maintain existing ones. The most frequently contracted services among adult day service centers include transportation, meals, therapies such as physical, occupational and speech, and hair care.

Adult day services that are equipped to provide their own transportation might consider offering medical escort services for reimbursement through federal transportation grants. Group homes, adult care homes or nursing homes might be interested in contracting with adult day services to allow some of their higher functioning residents to participate in stimulating activities.

Agencies to consider approaching to enhance client care include YMCAs, YWCAs, senior centers, nursing homes, rehabilitation centers, churches, community centers, mental health centers, group homes, public health clinics, parks and recreation departments, the local Alzheimer's Association or other diagnosis-specific groups, and colleges, universities and trade schools.

Developing Strategic and Business Plans

No matter what type of program or service you operate or want to start, developing good business practices is essential. Developing strategic and business plans provides the foundation and details for what your particular service is, what is needed to make it successful, and how it will operate.

A strategic plan is a roadmap for the organization's evolution. It reflects core values, philosophy, vision and mission. It defines the possibilities for excellence in service provision, forecasts probable achievement of these goals and delineates the steps necessary to ensure success. Historically, five-year strategic plans were the norm. Three-year plans are becoming more widely used due to today's rapid

pace of change. Effective plans break the project into stages to make the process more manageable and achievable.

A well-designed business plan will appeal to potential funders and donors, and satisfy a new board of directors, or a board looking to expand the services the organization already offers. The plan can be key to arranging alliances or collaborative efforts for the organization. A business plan can be developed in many forms but every plan has common elements. A business plan:

- *Identifies the organization*, what is special about its services, and its current funding sources.
- *Describes the organization*, including the year started or proposed start date, type of business, philosophy, structure of the organization and location.
- *Provides a market analysis* that summarizes the community (market) and how this supports the start-up or expansion of the program. Specific data includes population and trends, other services in the area, funding sources, barriers identified and ways to overcome them, community support, major competitors, etc. This information should be correlated with the program's expected target population and geographic boundaries.
- *Includes an operations plan* that explains how services will be provided and how specific goals will be met. A goal is a very general statement such as, "We will provide the best dementia care possible." An objective defines the specific results to be achieved, for instance, "We will offer home and community-based respite services to our community." To accomplish objectives, specific actions are described such as, "Utilizing space at the local senior center, we will provide trained staff to facilitate respite care once a week."
- *Describes core services and optional (ancillary) services*. Since it is common for adult day programs to offer basic, core services initially, plans for additional, anticipated services, such as baths/showers, hair care, rehabilitation therapies, medical escort, tracheotomy care, injections, etc., should be included.
- *Has a marketing plan* that identifies your targeted participants and how you will advertise your services (flyers to potential referral

sources, radio or newspaper ads, Web resources, etc.)

- *Describes the governing body*, membership of the board of directors and the board's role. Will the board be involved in activities such as strategic planning, marketing, fundraising? Are there bylaws and officers? Resumes of board members should be available.
- *Includes a management and staffing overview* with expected staff numbers and qualifications, job descriptions, standards for hiring and training staff and management, and personnel policies and how these will be communicated.
- *Lists facility and equipment requirements* needed to conduct the business of the organization and plans for securing the equipment – lease, purchase or donations.
- *Has a written financial plan* that delineates pricing of services and sources of projected revenue. The financial plan should demonstrate where potential resources are expected to come from (revenue) and how they will be spent (expenses).

As noted earlier, it is important to understand and use unit costs in preparing budget forecasts and financial statements, setting fees for program services and requesting adequate reimbursement from payers. It is critical to note that if the reimbursement from any funding source is less than the actual cost to provide the service, that difference must be made up through other means. Identify what funds will cover any shortfalls, such as discounts or public reimbursement that falls short of actual costs. In adult day services, it is a rare center that achieves full census within a year unless a strong third-party reimbursement stream, such as targeted Medicaid waiver dollars, exists. A time span of 24 to 36 months to attain financial stability is more realistic for ADS. The plan should clearly state what financing the organization is seeking.

Developing, Refining and Improving Quality

To accomplish their missions, providers are dependent upon the public's confidence and support.

Support comes from consumers who use the services, funders and community organizations with which providers collaborate. Successful providers, like all other businesses, earn this confidence and support by providing quality programs and services. Learning how to measure, demonstrate and improve quality is essential.

There are many different ways to define and measure quality. These range from simple customer satisfaction surveys to full program accreditation. All these include knowing who your customers are, as well as what they and others perceive as quality. For example, quality is often equated with person-centered/directed services. It is important to use this information to show how your organization changes over time and compares to others in the community. Some resources and tools to measure and create a continuous quality improvement program follow.

Accreditation

Accreditation is one way to define, promote and advertise quality in your program. CARF (Commission on Accreditation of Rehabilitation Facilities) has a specific accreditation program for adult day services programs. Though voluntary, this accreditation process is considered a best-practice standard in the field, and some states recognize the accreditation, especially if the state has no licensure requirements. For more details about the CARF standards and guidelines for adult day services go to www.carf.org. This is not a free service, so providers need to weigh the cost benefit of becoming accredited.

Quality First

The AAHSA Quality First initiative is part of a national effort to evaluate the quality of aging services; identify factors influencing the ability to improve quality of care nationally; and make recommendations about national efforts that could lead to sustainable quality improvement. The program helps service providers assess and demonstrate their commitment to quality. It includes 10 elements of quality and steps and tools to use to achieve ongoing quality assurance. Information on this program is at: <http://www.aahsa.org/quality-first/guides/default.asp>.

Customer Satisfaction

Customer satisfaction is a core quality measure. Defining and measuring it can be complex, and includes determining who your customers are, what their expectations are, and how best to measure this. Options might include surveys (post-enrollment, annual or exit surveys) and focus groups. Defining customers can be a challenge. Possible groups include:

- *Employees:* Employee satisfaction not only increases quality, but several studies have shown that it increases recruitment and retention.
- *Current clients/participants and family and/or paid caregivers:* If you can survey only one group, participants and family caregivers are the most important group. They should be surveyed both during their participation, and after leaving your program. It is particularly important to include family members in surveys if participants have substantial cognitive impairments. This group is also important because of the emphasis on person-centered planning and services.
- *Informal referral sources:* These include other family members, neighbors, clergy, and formal referral sources such as doctors, discharge planners, bank trust officers, care managers, home health workers, etc. Surveying these groups helps to assess how you are perceived in the community.

A simple survey form is often the best method to gather information. It is generally best to allow responders to do this anonymously to encourage honest feedback. Rating your services from “excellent” to “needs improvement” is an easy format to use. While many of the surveys will have similar questions, it is important to tailor them to each “customer” group.

The following simple survey may be a helpful example in thinking about what information you wish to gather from current clients or family caregivers. It can be used with cognitively intact participants or family caregivers.

Referral Sources

Design the survey form to gauge the satisfaction of referral sources slightly differently. Keep the form simple and easy to use. Using the same format as the client and caregiver survey may keep the process more manageable. A sample of one such survey follows as adapted from the work of Greg Newton for the Partners In Caregiving: Dementia Care and Respite Services Program.

(See <http://www.rwjf.org/reports/npreports/partnerse.htm> for information about Partners In

Caregiving.)

Evaluation and Quality Assurance

Evaluation is important in developing and supporting quality assurance. It involves gathering both quantitative and qualitative data. The process must be clear about what is to be measured and why. Quantitative data provides numeric values to gauge achievement of goals, helps identify trends or problem areas, and suggests baselines for comparison of performance. Satisfaction surveys are the

Sample Survey for Current Clients or Family Caregivers

How Are We Doing?

We want to provide the best possible services for you and your clients. We would appreciate any comments or suggestions if you will take a few minutes to share your opinions about our performance. We value your input as we strive to provide excellent service to meet your needs. Please check the box that best describes your rating of the following service aspects:

| | Excellent | Good | Needs Improvement | Don't know |
|---|-----------|------|-------------------|------------|
| Do we respond to your referrals in a timely manner? | | | | |
| Do you find our staff courteous and professional? | | | | |
| Are the hours and days of operation convenient for your clients? | | | | |
| Do your clients find our facility pleasing and attractive? | | | | |
| Do the services we offer meet the needs of your clients? etc. | | | | |
| How are we doing in helping your clients meet their goals through using our services? | | | | |
| Value for the price | | | | |
| How are we doing in helping you meet your goals through using our services? | | | | |
| What do you feel is the most important thing we need to improve to be the best we can be? | | | | |
| What other suggestions do you have to help improve our services and/or our facility? | | | | |
| Thank you! If you would like to speak with our director, please list your phone number and the best time to call. | | | | |
| Optional: Name | | | | |

most common tools for gathering qualitative data. But, gathered data is meaningless unless it is used to validate, eliminate or otherwise effect changes to programs or services.

Data collection and evaluation may seem complex, but need not be if the process is kept simple and focused. The most frequent mistake when develop-

ing a quality assurance program is to try to track too many things at once. Too much information can be paralyzing.

Quantitative data is often gathered from established agency record keeping or other tracking mechanisms. For example, records of service utilization

Sample Survey for Referral Sources

How Are We Doing?

We want to provide the best possible services for you. We would appreciate any comments or suggestions if you will take a few minutes to share your opinions about our performance. We value your input as we strive to provide excellent service to meet your needs. Please check the box that best describes your rating of each of the following services:

| | Excellent | Good | Needs Improvement | Don't know |
|---|-----------|------|-------------------|------------|
| Staff assistance | | | | |
| Activities and program | | | | |
| Facility: Clean, attractive, pleasant, safe | | | | |
| Meals, food service | | | | |
| Services: Health, bathing, transportation, etc. | | | | |
| Hours and days of operation | | | | |
| Value for the price | | | | |
| How are we doing in helping you meet your goals through using our services? | | | | |
| What do you feel is the most important thing we need to improve to be the best we can be? | | | | |
| What other suggestions do you have to help improve our services and/or our facility? | | | | |
| Thank you! If you would like to speak with our director, please list your phone number and the best time to call. | | | | |
| Optional: Name | | | | |

(days and times used).

Examples of questions eliciting quantitative data are:

- How many clients were served in a defined time period? Taking it a step further, examine the client mix of the people served with regard to race, funding sources, etc.
- How many infections or falls have occurred with the clients in a defined time frame?
- How many complaints have been registered within a certain time period? What was the nature of the complaints? How quick were the responses?
- How many hours of service or number of visits were provided in a specific period of time?

Start with one or two questions that need to be answered to further develop, enhance or improve your services. For example: Are our hours convenient for your family? What services do you need that we don't provide? Decide the easiest way to get the information/measurement you want and implement the process. It may be useful to collect information periodically, annually or even monthly. That will provide information on how the organization is changing or meeting goals over time.

Comparing numbers of inquiries for a service to the actual number of enrollments for the service identifies a conversion rate. If an agency received 20 inquiries but only enrolled five people in the service, the conversion rate would be 25 percent. ($5 \div 20 = .25$) This number may offer clues about how well barriers are being overcome to mobilize people to use the service. On the other hand, if the percentage rate is low for falls, that is a good thing. If a particular challenge has been identified, special tracking processes may be developed to monitor patterns, trends or progress towards goals. An example is closely tracking statistics of the client mix after a targeted marketing campaign to attract a certain population.

Program Evaluation and Benchmarking

An evaluation of the entire program should be conducted at least annually to review successes and to identify areas that need improvement. It should involve soliciting feedback about program operation

at least from board members, clients and their family members, referral sources and funders. At a minimum, the program's mission, goals and objectives should be reviewed. For example, review an adult day services center's plan of operation with the CARF national standards and guidelines (updated biannually) in mind. Does the center meet all of these guidelines? Remember to compare your outcomes to other providers from year to year. This is referred to as benchmarking and allows you to assess your program and quality assurance measures in the context of other community organizations. Participant numbers and quality indicators may be available from state associations of adult day services, state associations of homes and services for the aging, home and hospice care associations or state-defined standards as part of the licensure or certification process for providers. Some questions to facilitate your evaluation process include:

- How do our current services relate to the organization's mission?
- Are we in compliance with all legal, regulatory and financial reporting requirements?
- Whom are we serving?
- Are we meeting the needs of our target population?
- What are the benchmarks of quality attained by industry peers?
- Is our organization comparing favorably using those benchmarks of quality?
- Is the program compatible with the needs of the referral sources' clients?
- What will help the center be where we want to be in three years? Five years?
- Do improvements need to be made to the physical facility? Inspect your facility.
- Does the adult day services programming we offer engage the participants?
- Are the program participants showing signs of well being?
- Are records, inspections and paperwork current?
- Are the center's outcomes what we expected and planned for?

The outcomes of the program evaluation need to be results-focused, impartial, unbiased measures. Perhaps one area of needed improvement is the area of falls prevention. The plan developed should note a desired goal, methods of tracking, industry benchmarks (if available) for comparison and over what length of time data will be gathered. Review of the data will look for trends in precipitators of falls, including environmental factors, physical health indicators of participants, or certain staffing patterns present. Once patterns or other critical indicators are noted, a plan of corrective action should be developed and implemented. Staff can be valuable in this process, often providing solutions to include in action plans.

Financial evaluation is also essential. This is perhaps most easily accomplished with an external auditing agency. Financial audits may be mandated by some funding sources. If not, a periodic external audit is healthy for any organization.

Last but certainly not least of the evaluation components is community evaluation. Consider conducting a periodic focus group as described in the “Assessing the Market/Community” section of this document. Also, send a survey by mail to new or potential referral sources to gather community information that is useful in goal setting and provides a marketing tool. Stay abreast of the competition within the community. Know what services they provide, and always be prepared to state positively what your organization does differently.

Conclusion

This document has discussed many of the aspects of service development for consideration when starting a new home and community-based service including adult day services or expanding an existing program. It is not meant to be an exhaustive resource but rather a prompt for further research into areas of concern for service start-up. The resources available for home and community-based services are increasing daily as the environment of social services and health care changes dramatically.

Some providers respond to these frequent changes by becoming fearful or immobilized. The hope is that the information shared here will stimulate thought about how to be proactive in creating a desired future.

The demographics of our aging society speak to the continued need to expand these vital services within our communities. They must be expanded, however, with great sensitivity to the vast economic implications that additional services bring. Care costs. Creativity is needed to ensure that care needs are met humanely, yet cost-effectively. The goal of creating viable home and community-based service programs is achievable with commitment, careful planning such as adult day services, and ongoing evaluation.

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