

ADVANTAGES OF SOUTHEAST AR, INC.
STRATEGIC PLAN
July 1, 2023 – June 30, 2024

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Revised: June 28, 2023

Program Overview

Advantages of Southeast AR, Inc. has been providing services to individuals with developmental delays/disabilities for 50 plus years. The agency provides center-based and community-based services. The central administration office is located in Monticello, AR. The service area of Advantages, Inc. covers fourteen (14) Arkansas Counties for Waiver, four (4) counties for Adult Development and five (5) counties for preschool. The waiver department, administration, adult development, and children's services each operate under the corporate name; however, the preschools and adult development programs have a service name they use. The division names and service counties are as follows:

Advantages of Southeast AR, Inc.:

Waiver: Ashley, Arkansas, Bradley, Chicot, Cleveland, Calhoun, Dallas, Desha, Drew, Grant, Jefferson, Lincoln, Phillips, Union.

Administration Office: located in Monticello, Drew County; serves all program areas.

Discovery Skills Center, (DSC):

Adult Development: Drew, Lincoln, & Bradley Counties
Center Location: Monticello

Discovery Children's Centers, (DCC):

Preschool: Drew, Lincoln, Bradley, Union, & Ashley Counties
Center Locations: Monticello, Hamburg, & Star City

Discovery Children's Center in Monticello has an existing debt of approximately \$1.3 million. The facility serves children in Drew and Bradley County.

Discovery Children's Center in Hamburg was purchased in February, 2019. Although the buildings have amenities needed to provide services, there are some issues with the properties that the agency is working to eliminate, as budget funds are available.

Discovery Children's Center in Star City, continues to operate on agency owned land and buildings. This site has no debt and is licensed to provide services to 72 children.

The Administration Office is located in Monticello and houses human resources, information technology, and accounts payable/receivable. The executive director and waiver specialist staff are housed in the Monticello preschool building.

Discovery Skills Center is located in Monticello. A remodel was completed in July, 2021 creating additional work stations and allowing for an addition of 10 consumers bringing the license capacity to 92. Again, no debt was acquired as the remodel was paid for through existing funds. New construction for an additional Discovery Skills Center building, with a gym, is set to start in late fall of 2023. This will allow for additional participants as well as add hosting abilities for Special Olympics events.

Advantages, Inc. considered the expectations of persons served and other stakeholders when developing the Strategic Plan. The Plan addresses the competitive environment, financial threats and opportunities, our capabilities to continue services through accessing our regulatory and legislative environment, consideration of area needs and demographics, planning for the use of information technology to support our operations, and developing an efficient method of service delivery to enhance our overall performance. The Strategic Plan is a work in progress, to be analyzed regularly and revised as needed. The management team reviews progress quarterly as indicated in progress notes and meeting minutes.

Due to the magnitude of on-going Medicaid reform in Arkansas and the impact it may cause, the Strategic Plan will cover no more than 1 fiscal year. The executive director and management staff will continue to advocate for consumers and families during the Medicaid transformation processes, and will take a proactive approach to monitoring our internal policies and procedures, and adjust accordingly with reform.

Strategic Plan Revisions: October 2012, July 2013-2017, August 2018, June 2019, October 2020, September 2021, June 2022 and June 2023.

State Advocacy Efforts

Advantages, Inc. is a member of the Developmental Disabilities Provider Association, DDPA. The Association is committed to ensuring the quality of services provided to our consumers and families. The executive director is a member of the ADDT work group, the Government Affairs Committee, and assists with the DDPA training committee. The executive director forwards information to the Board as it is received and briefs the Board regularly at meetings.

Service Areas and Demographics:

All service counties are located in southeast Arkansas. 2020 Census data indicates the following demographic information:

County	Population 2010	Population 2020	White	Black	Hispanic	High School	Bachelor's +	Disabled	Unemployment Rate	Food Stamps	Families Below Poverty Level	Median Income
Arkansas	19019	17149	68%	24%	3%	84%	14%	17%	3.8%	25%	16%	46696
Ashley	21853	19062	68%	25%	6%	83%	13%	14%	5%	29%	19%	44744
Bradley	11508	10545	56%	28%	16%	81%	13%	18%	4.6%	30%	23%	51331
Calhoun	5368	4739	75%	19%	4.6%	81%	7%	18%	5%	17%	23%	47255
Chicot	11800	10208	39%	53%	5.9%	80%	13%	19.5%	10.2%	38%	31%	34147
Cleveland	8689	7550	86%	9%	6%	81%	14%	19.5%	5.1%	24%	31%	46684
Dallas	8166	6482	54%	40%	4%	84%	12%	17.0%	7.3%	27%	25%	31893
Desha	13008	11395	43%	47%	6.4%	81%	14%	14.3%	7.3%	34%	25%	31893
Drew	18509	17350	65%	28%	4%	87%	19%	14.1%	5.9%	27%	19%	46997
Grant	17853	17958	91%	3%	3%	91%	15%	15%	3.5%	15%	12%	55388
Jefferson	77435	67260	38%	56%	2.2%	86%	17%	12.7%	7.2%	30%	24%	40726
Lincoln	14134	12941	64%	28%	4%	81%	9%	14.1%	5.7%	23%	27%	46596
Phillips	21757	16568	34%	62%	2%	80%	12%	16.2%	8.4%	50%	33%	29320
Union	41639	39054	59%	33%	2%	80%	16%	16%	7.1%	19%	33%	44663

Analysis of the Changes Between 2010 and 2020 Census

County	Population 2010	Population 2020	Population +/-	Median Income 2010	Median Income 2020	Median Income +/-
Arkansas	19019	17149	-9.8%	37230	46696	+25.4%
Ashley	21853	19062	-12.7%	34934	44744	+28.8%
Bradley	11508	10545	-8.3%	29908	51331	+71.6%
Calhoun	5368	4739	-11.7%	32450	47255	+45.6%
Chicot	11800	10208	-13.4%	21676	34147	+57.5%
Cleveland	8689	7550	-13.1%	39567	46684	+17.9%
Dallas	8166	6482	-20.6%	29602	31893	+7.7%
Desha	13008	11395	-12.4%	29051	31893	+9.7%
Drew	18509	17350	-6.3%	32558	46997	+44.3%
Grant	17853	17958	+0.58%	51589	55388	+7.3%
Jefferson	77435	67260	-13.1%	35998	40726	+13.1%
Lincoln	14134	12941	-8.4%	35737	46596	+30.3%
Phillips	21757	16568	-23.8%	27361	29320	+7.1%
Union	41639	39054	-6.2%	36464	44663	+22.4%

Only Grant County gained population between the 2010 and 2020 census. Grant County is a bedroom community of Little Rock. Many people commute to Little Rock, therefore, the median household income is higher than most. High crime rates and poor performing school districts have driven population growth in Grant County. Salaries have increased, mainly due to mandatory minimum wage increases. All other counties in our service area lost population over the past ten years. There is a high percentage of unemployment and families at risk of food insecurity on a daily basis. On average 40% of the population in the Advantages service area qualify for some type of Medicaid funding.

Population continued to drop in Southeast AR, with the largest drop of 1684 residents in Dallas County. Low performing school districts, loss of blue-collar jobs, and problems with the local crime rate increases are strong indicators for population loss.

The service area for Advantages covers the southeast quarter of the State. The area is very rural and mostly forest and farm land. There have been no new larger employers moving into the SE area other than a casino in Jefferson County; therefore, families continue to move to more prosperous areas of the State.

Southeast Arkansas is the poorest area of the state. Poverty, unemployment and poor performing schools make it hard for this area to thrive. Job losses usually results in a location change of families from the counties affected. As previously stated, all counties lost population except for Grant.

Southeast Arkansas is also considered the unhealthiest area of the state. Reasons for the rating include high poverty and low accessibility to medical care. Many of the areas do not have a medical clinic; therefore, people must travel to neighboring towns or counties for treatment. A lack of affordable private insurance further complicates accessibility to medical care. In response, the State received approval from the Federal Government to expand Medicaid under what was called the Private Option. The Private Option met the criteria set forth in the Affordable Care Act. Although the Private Option offers insurance coverage for the uninsured, the southeast area of the state still has an accessibility issue not only for specialists, but for primary care physicians, and for transportation. Advantages, Inc. absorbs a lot of the cost for insurance for our employees. Currently there are no provisions to subsidize what Advantages, Inc. absorbs for employee insurance costs.

An analysis of the religious makeup of the State reveals that most citizens are protestant. In the Advantages service area, most practice one of the following: Baptist, Church of Christ, African Methodist Episcopal (AME) or Assembly of God. There are no known Jewish synagogues or mosques located in Southeast AR, and very few Catholic churches.

The management team is monitoring the growth in the Hispanic population in southeast Arkansas in order to plan for staffing and program needs. Currently we serve so few where Spanish is the primary language in the home, that we have been able to provide translation services through current employees and seldom have the need for a paid or volunteer

interpreter. The agency has worked to translate enrollment information to support this population. The implementation of the Therap Data System allows for immediate translation of all required documentation and reports.

Financial Threats and Competitive Environment:

Competition

There are four (4) EIDT (early intervention day treatment) centers in our preschool service area: CB King, McGehee; Carousel School, Crossett; York Williams, Dermott; and Kids First, Warren. Additionally, there are three (3) ABC programs that operate in Monticello. The Hamburg, Crossett, Star City and Warren School Districts each operate an ABC program in their respective counties. The Head Start program offers preschool services for children 3-5 and the Early Head Start program offers services for children under age 3. The availability of a variety of services is good for the community; however, each source presents competition for Advantages.

The state determined in 2018 that children who do not receive at least one therapy could not be eligible for EIDT programs and that these children would have to be dismissed from EIDT programs. This rule reduced each EIDT center by about 40% causing a loss of jobs and causing a negative impact on our financials for each EIDT. DHS did not sign a MOU with the Arkansas Department of Education and thus removed the education portion of services from EIDT centers. Education services will now be provided by the Southeast Arkansas Educational Cooperative. Post-Covid, enrollment numbers increased dramatically as children with occupational and speech therapy needs skyrocketed. As is the case in Arkansas with every governor change, Governor Sanders introduced the LEARNS Act, which became the LEARNS Bill early this calendar year. This is a sweeping change in education and moves licensing and educational components of our EIDT programs under the Arkansas Department of Education. The bill goes into effect August 1, and to date there are no clear rules and regulations for the transition or the programming. Arkansas is building the plane as it is flying, so to speak. Updates will be added to the plan, as concrete regulations are rolled out.

There are three (3) adult development programs in our service area: CB King, (McGehee/Arkansas City), Ashley County Skilled Workshop, (Crossett) and Jenkins, (Pine Bluff).

Several DDS Community and Employment Support providers serve consumers in the same fourteen counties that Advantages serves. Additionally, DDS regulations allow for anyone to become "Certified" and provide waiver services, as long as they meet the certification requirements; therefore, there are many independent service providers in our catchment area as well.

Although each program is unique and has various qualifying standards, this wide variety for choice in placement can affect Advantages' financial stability.

PASSE Model

The PASSE system was developed as a way to meet division's budget cuts ordered by the former Governor Hutchinson. The cuts were needed to meet the State's increasing matching obligation under the ACA. DDS had to cut \$250 million from its 2017 annual budget and continue through the next several state fiscal years to maintain the cuts. The Stephens Group was retained to assist the Legislative Health Task Force to identify waste within the Medicaid System and duplicative service models within the agency's individual divisions.

The state's standards require that the same agency employee cannot supply both services for the same person and has used that policy to meet the very broad definition of "conflict-free". CMS approved the waiver renewal with the implementation of the PASSEs. After much discussion with DHS and DDS officials it has been decided that conflict-free case management issue will be completely resolved with the implementation of the PASSE. Under a PASSE plan, the consumer is attributed to a PASSE after an independent assessor has determined a tier rating for services. This eliminates the same agency setting the plan amount for the needed services. DDS planned to begin this transition process in July, 2017. However, it was pushed back and became fully operational in March of 2019. Since its inception in March, there has been conflict between providers and the PASSEs, families served and the PASSEs, legislators and the state and the PASSEs. The issues seem to finally be slowing down as people are growing used to the new system.

At this point, our waiver services have moved to a blended managed care system. This system in Arkansas is known as a PASSE, (Provider led Arkansas Shared Savings Entity). This is a system that is 51% provider owned and 49% managed care company (insurance) owned. Individuals are attributed to a PASSE by the state and will select a service provider from the PASSE in which they are attributed. The provider of choice, under the PASSE, will be paid a per person per tier pre-set rate for services and must provide services for that global payment rate. It is not a fee for service rate. Providers who "buy in" to a PASSE can get a portion of the plan savings, if there are any savings. We are currently in full care of the PASSE system and it has been problem after problem. Providers are not receiving payments in a timely manner, there seems to always be a billing "glitch". Care coordinators are ill-trained and ill equipped to handle the caseloads they are assigned. Care is being reduced compared to what was provided when waiver providers were assigned case management duties. Most providers are still completing basic care coordination duties without compensation to ensure that our consumers have what they need to thrive. Not much has changed in the last year regarding care coordination. With the pandemic, care coordinators were not allowed to make visits to the members, while providers still continued with continuity of care services.

Advantages, Inc. invested in and joined the provider led PASSE (Summit Community Care). Advantages joined all PASSE's that operate in our service area, but only invested in the one.

Medicaid Transformation – Service Model and Payment Structure

There is nothing new currently on the table for cuts this year; however, changes in eligibility, reimbursement rates, qualifying hours of service, and staffing criteria will all impact the financial stability of Advantages, Inc.

Health Information Technology (HIT)

A big issue with HIT is a lack of infrastructure in rural areas of the state. Although DDPA and DHS/DDS are seeking funding opportunities to assist with infrastructure development and assist providers with start-up costs for the purchase of technology equipment and upgrades, funding appears to have been set aside because of the directive to reduce Medicaid costs. Under ARPA funding that came through the pandemic, technology funds were accessed by the state specifically for waiver services. However, CMS determined that Arkansas could not spend those funds as there was no current “waiver” in place regarding technology. DHS is working on a “waiver” so the funding can be accessed. Updates will be added as they roll out. We continue to use Therap as our documentation system.

Financial Opportunities:

New and expanded children’s programs are being considered at the Federal level that may bring a financial risk or opportunity. The programs include the expansion of Head Start, the federally-funded Pre-K, and ABC, for all children 3-5, regardless of economic standing, and the approval of funding to begin Early Head Start programs for children birth-2.

Service Area Needs

The primary need for the areas serviced is employment. Employment opportunities will feed the education programs and push the local economy upward. Jobs and education should bring industry back to southeast Arkansas.

Unemployment and poverty play a part in the development of a child. There remains a need for children’s services from all available sources. In previous years, Advantages, Inc. could meet any personnel needs due to an expansion of children’s services. With the labor market in its current state, we are attempting to remain fully staffed, but over the last twelve months we have been consistently understaffed in our waiver division.

Current Statistical Information for Areas Served by Discovery Children’s Centers:

County	Poverty Rate 2021*	Median Income 2020*	Co. Unemp Rate May, 2023	State Unemp Rate May, 2023
Ashley	21.3%	\$44,744	4.5%	2.6%
Drew	24.4%	\$46,997	3.3%	2.6%
Lincoln	17.9%	\$46,596	3.1%	2.6%
Bradley	26.4%	\$51,331	3.9%	2.6%
Desha	32.6%	\$31,893	3.6%	2.6%

*Most recent data available at time of report.

There have been no major job developments in the past FY. Advantages, Inc. is one of the top 10 employers in our county per the Monticello/Drew County Chamber of Commerce.

There are no plans in place for a transit system and none of the counties we serve have a taxi service. Drew County recently acquired an Uber service, otherwise, individuals must have their own mode of transportation or rely on friends and family to meet their transportation needs. There is a Medicaid transportation provider in Pine Bluff (SEAT) that serves our catchment area to assist with medical transportation.

Southeast AR lacks physicians that can diagnose and treat autism spectrum disorders. Currently, families must go to Little Rock for a diagnosis and the wait time for an appointment is anywhere from 9 to 16 months.

The agency cannot do much about some of the needs mentioned, other than what is already in the Strategic Plan, which is to continue to be an active advocate for services, remain on subcommittees that are working on the systems change, and apply for grants for expanded services. Our commitment is to provide quality services in our 14-county service area. Funds could be made available to expand any service model. We will seek employees as service models expand.

Expectations of Persons Served and Other Stakeholders

Advantages, Inc. understands that consumers have a choice of providers and that we must offer quality services and solid customer service. We are dedicated to maintaining qualified and well-trained staff, clean and accessible buildings, maintaining adequate quantities of program supplies, operating a safe vehicle fleet, offering competitive salaries and benefits, and promoting a safe work environment for employees. An annual survey of consumers, employees and other stakeholders is typically conducted each spring and results analyzed for inclusion in the development of improvement plans.

The agency will remain consistent in adopting policies and procedures, analyzing and understanding the environment and organizational competencies, identifying threats and opportunities by setting goals and strategies that will enable the agency to achieve, sustain, and advance its mission. The agency will establish a foundation for success through Strategic Planning focused on taking advantage of strengths and opportunities while addressing weaknesses and threats in the following areas:

1. Expectations of persons served.
2. Expectations of other stakeholders.
3. The competitive environment.
4. Financial Opportunities.

5. Financial Threats.
6. The agency’s capabilities.
7. Service area needs.
8. Demographics within the service area.
9. The agency’s relationships with external stakeholders.
10. The regulatory environment.
11. The legislative environment.
12. The use of technology to support:
 - a. Efficient operations
 - b. Effective service delivery
 - c. Performance improvement
13. Information from the analysis of performance.

The agency usually conducts a satisfaction survey in the spring that includes employees, individuals served, guardians, parents, and Board Members. Results are used to change policies, improve business practices, and set agency goals.

Financial Strength

The FY22 audit was completed by Searcy and Associates, Inc. in October, 2022. The audit did not receive any written deficiencies.

The FY23 audit will not be conducted until October, 2023 and the FY23 year-end statement cannot be completed until all outstanding debt has been paid. However, the Agency’s unaudited financial report ending June 30, 2023, had a year-to-date Change in Net Assets of \$2,386,477.

Advantages, Inc. assumed debt in 2012 in the amount of \$2.5 million from USDA and \$500,000 from Commercial Bank for the construction of the new preschool. The agency made additional payments to Commercial Bank loan throughout the construction period and paid the loan off during FY14. The estimated balance of the USDA loan as of June 30, 2023 was \$1.3 million.

<u>Fiscal Year End Fund Balances (unaudited)</u>	\$14,728,420.00
Cash Balances, June 30, 2023	
Union Bank, Operating Account:	\$6,636,284.00
Union Bank, Matching Fund Account:	150,046.00
Simmons Bank:	203,437.00
Union Bank, Payroll Account:	4,272.00
USDA Grant Account:	61,300.00
ASFCU Account:	140,675.00
CDs (Parkway, CB&T, UBT)	388,713.00
MMA Account (UBT)	7,143,693.00

Each Division has their own budget that is tracked monthly. A plan is in place to address shortfalls in any one division, or agency-wide. The Administration, Children’s Centers, and Adult Development staff received raises for FY24. In addition, ARPA bonuses were awarded throughout FY23 for qualifying staff in all divisions.

Strategic Planning enabled the management team and Board of Directors to take pro-active budgetary action to ride out the financial storm created by Covid-19, and has allowed us the freedom to expand service capacity and meet service needs without incurring additional debt.

Corporate Responsibility

The Board of Directors and management staff of Advantages, Inc. understands the importance of the Agency’s responsibility for being a part of our community. Management staff continues to be involved in community activities and organizations. Efforts will continue to involve staff and consumers in community activities and events. Advantages, Inc. is either a member of, or have employees who are a member of the following organizations:

1. Chamber of Commerce: Ashley and Drew County
2. Kiwanis: Ashley and Drew County
3. Developmental Disabilities Provider Association
4. SEARK Miracle League
5. Monticello and Drew Central Parent Association
6. Monticello and Drew County Baseball Leagues
7. Junior Auxiliary
8. Monticello Parks & Recreation Committee
9. Hope Place

Service Provisions

Preschool/EIDT

Developmental screenings are conducted prior to entry into the Preschool program. If the child has a delay in two or more areas of development and qualifies for one therapy, the child can be admitted into our EIDT program or if they qualify for EPSDT. The areas of evaluation are: gross motor, fine motor, cognitive, language, self-help, and social/emotional.

An individual plan is developed for the child based on the results of the evaluation. This plan will address the child’s needs and weaknesses. Evaluations are administered regularly to ensure the child is meeting typical childhood milestones. The primary goal of Advantages is to reduce or eliminate the level of delay in each child before he/she enters the public school system. Aside from Day Habilitation services, Advantages provides services in the following areas:

Therapy: Physical, Occupational, Speech Individual Therapy
Evaluation Services
Developmental Preschool Services
Evaluation Services
Preschool Services
Transportation
Service Coordination
Referral Services
Meals

Adult Development/ADDT

Instruction in independent living skills and basic employment skills are the focus of our Adult Development Program. An adult consumer must have a diagnosis of: Intellectual Disability, Cerebral Palsy, Autism, Seizure Disorder, or another diagnosis that severely inhibits their ability to function normally in their living setting.

Enrollment requires a current psychological and developmental profile that can be used to develop a Program Plan. Skills focus on the daily living skills needed to function at the greatest level of independence in the least restrictive environment.

Aside from Day Habilitation services, Advantages also provides services in the following areas:

Meals Transportation Evaluation Referral Services

Waiver

Waiver consumers have a choice as to service provider. If Advantages is selected to perform the functions, we complete all required DDS documentation needed to provide services. Activities include, staffing according to the needs assessment and schedules set by the programming team, and assistance with treatment plan development.

The goal of Advantages is to allow the waiver consumer services in the least restrictive environment, assist them in exercising their rights, assisting with community integration activities, and advocating for them when necessary.

Advantages, Inc. provides Medicaid Waiver Services in the following areas:

Non-Medical Transportation (reimbursement provided for by the PASSEs)
Medical Transportation (if services cannot be accessed- Private Pay Reimbursement by Consumer)
Referral Services
Supplies
Evaluation

Organizational Capabilities

Advantages will review components of the strategic plan on an annual basis and will review and determine the organization's capabilities to meet the established goals as reflected in the strategic plan. Revisions to the plan will be made as needed.

Regulatory Environment

Federal & State legislation directly affects the criteria that providers must meet. Both have implemented stricter regulations and unfunded mandates that providers must meet to be licensed. Advantages, Inc. received a 3-year accreditation from CARF in May, 2021. Advantages, Inc. is committed to following the regulations required to maintain accreditation.

Advantages, Inc. and all service locations are subject to unannounced and frequent reviews by DHS/Childcare Licensing, DPSQA Licensing and Certification Unit, Hwy & Transportation Department, Medicaid Integrity Unit, and the Health Department.

Advantages, Inc. schedules inspections by the State Boiler Board, Fire Department, Fire extinguisher certification and other community regulatory agents as prescribed in each Licensing & Certification Agency's operating standards.

Technology

Advantages, Inc. utilizes technology to support the efficient and effective operations of the Agency. Advantages purchased an accounting software package that enables staff to efficiently track time and attendance for payroll purposes, and billing of service units. The system was implemented in phases and is expected to translate into dollars saved through efficient management of employee time and accurate billing of all service hours.

The IT Plan serves to guide the organization in maintaining a high level of privacy by incorporating methods of testing security and backup procedures.

Agency Position

Advantages, Inc. has a debt of approximately \$1.3 million through USDA. The USDA-RDA loan is for a period of 40 years. It is the goal of the Executive management to have this debt paid by 2027.

Annual Report

Advantages will publish a Performance Report annually. The report will be posted on the Agency's website. Additionally, management staff will review and update as needed, the following plans: Risk Management, Technology, Accessibility, Strategic Plan, and Outcomes.