



**Draft 2023-2025 Strategic Plan**

December 14, 2022

# Agenda

- **Executive Summary**
- **Key 2022 Financial and Organizational Change**
- **Foundational Concepts**
- **2023 Core Performance Objectives and Initiatives**
- **2024-2025 Targeting Consistent Strength of Performance and Opportunities**

# Executive Summary

- **2022 focused upon the strategic reorganization of SAGE operations and cost structure**
- **Development is THE priority to complete SAGE's rebuild and secure long-term mission viability**
  - **Develop and implement robust increases in grant and giving through a broader reach, request volume, and higher number of asks**
  - **Build and enhance giving relationships through high but soft touch process utilizing the collaboration of Board and Management**
  - **Rebuild foundation and long-term growth of Investment Portfolio including a Capital Expenditure Fund**
- **2023 Financial objectives require census and quality of revenue improvements most acutely in HomeCare, and strategically in SPAD (Spend a Day) and MOW (Meals on Wheels)**
  - **Demand improving, but attraction and retention of home aides remains problematic (seller's market for hours/wages)**
- **2024-2025 anticipate further growth in profitability for fee-based programs, and the expansion of services that enhance the coordinated graduate care model**

# Key 2022 Financial and Organizational Changes

## Organizational Restructuring

Consolidated SAGE management under Galina Muller

Merged management and staffing of clinical services (HC and SPAD)

Hired Development and Communications lead

Streamlined management of MOW; reduction in MOW management overhead

Hired Human Resources professional

Hired new Social Worker/Community Outreach Manager

Clarified reporting lines and oversight of workstreams

## Operational Improvement and Cost Containment

Reviewed and benchmarked cost and structure of all business units and SAGE management functions

Increase communications outreach to customer base, donor base, and workforce

Integrated new MOW team and improved service tracking functions

Upgraded/replaced billing software for clinical services

Eliminated significant costs by closing non-core retail function

Instituted community outreach and education to potential users of SAGE Services

Developed relationships with other community organizations (ongoing initiative)

# Foundational SAGE Eldercare Principles

## ■ Our Mission--Why do we exist?

- SAGE Eldercare is a unique community resource that offers a comprehensive array of programs and services for older adults and caregivers, promoting independence and quality of life.

## ■ Our Vision—Where are we going?

- SAGE Eldercare will be the leading provider of innovative services and programs that meet the changing needs of older adults and families in Summit and surrounding communities (Union, Essex, Somerset and Morris counties).

# Foundational SAGE Eldercare Principles (cont.)

## ■ Our Core Values—How will we behave?

- Provide coordinated care across the spectrum of needs delivered in a professional and compassionate manner
- Support and enrich our service communities
- Model industry best practices
- Adhere to all compliance requirement strictly and with respect for privacy
- Communicate in an honest and transparent way
- Promote independence and quality of life for clients and families
- Provide services regardless of clients economic status

## ■ Our Programs and Service Areas—What needs do we serve?

- Home Care
- Adult Medical Daycare (SPAD)
- Meals on Wheels®
- SHIP Medicare advisory service
- Community Education on aging
- Resource information and assistance
- Movement Classes (exercise focused mobility and basic health)
- Target market: Summit and surrounding communities (Union, Essex, Somerset and Morris counties.)

# SAGE Eldercare Competitive Advantage

## ■ How will we succeed?

- Leverage our experience as a provider of excellence in eldercare services in the area since 1954
- Utilize efficiently our sizable state-of-the-art headquarters and base of operations
- Emphasize focus on human capital by hiring staff with highly engaged licensed professionals
- Offer unique array of services under one umbrella
- Provide services that strictly adhere to all state and local requirements
- Enhance public and private engagement and funding support

# 2023 Priorities, Goals, Actions and KPIs\*

## *Financial Performance Objectives*

### ■ Review of Financial Performance

- 2023 Budget vs. 2022 Actual
- 2022 Budget vs. 2022 Actual

### ■ Program revenue and profitability improvement

- Implement strategies for additional utilization of programs while improving financial outcomes
- Increase census in all programs
- Home Care:
  - Reduce client revenue concentration in SPAD and HomeCare
  - Decrease revenue volatility and optimize resource allocation
  - Review programs' census trends (SPAD/HC and MOW)
  - Raise private-pay client hours in from 20% to 40%
- SPAD: grow the share of private-pay days from 10% to 30%
- MOW: serve 6000 additional meals per month to reach contract cap (33,000 meals)
- Workshop: support ongoing revenue contribution
- Continue to evaluate all program and overhead expenses

\*Key Performance Indicators



# 2023 Priorities, Goals, Actions and KPIs

## *Financial Results*

### ■ Development and Outreach Improvements

- **Focus on communicating: the full range of SAGE services and the structural economics of service delivery (20% Medicaid funding gap, MOW subsidization, private vs. public pay for services)**
- **Grants: Target \$2MM in grant proposal submissions from public and private sources (current \$x, historic \$Y)**
  - Target yield from applications of \$500-600k
  - Focus on ways grant application and award timing can smooth cash flows
  - Increase grant requests to a minimum of \$10K, and increase legacy requests by 10% or more
  - Grow volume of new grants submissions with an expanded set of sources
  - Build communication with grantors to enhance engagement and retention
- **Giving: Set annual giving goal at \$500k**
  - Initiate relationships with potential donors with hands-on engagement of Board and SAGE mgmt.
  - Heightened focus on developing relationships with donors who could contribute >\$5K annually
  - Prioritize growth of unrestricted public gifts spread over the year
  - Raise participation in corporate giving, and sponsorship of programs and events
  - Increase Board giving, engagement and donor/volunteer cultivation
- **Investment Portfolio: Grow to \$1,250,000**

# **2023 Priorities, Goals, Actions, and KPIs (cont.)**

## ***Internal/Operational Excellence***

- **Employee Certification and Licenses – offer education and maintain compliance**
- **Improve staff recruiting and retention rates via competitive compensation**
- **Increased SAGE brand awareness through active marketing and communications**
- **Enhance community involvement with local businesses and community organizations**
- **Continue to pass state and local audits, inspections and licensing certifications (CAHC/NJDOH/AADSP)**
- **Meet with staff monthly to review issues, KPIs, and progress vs. budgetary targets**
- **Conduct Quarterly Board of Trustees Meetings with dashboard summaries**
- **Provide Annual performance and development reviews of staff**
- **Utilize proactive engagement by Department heads in the annual budget process**
- **Develop Client, Donor and Volunteer feedback through open conversations, surveys, emails and mailings**

# 2023 Priorities, Goals, Actions, and KPIs (cont.)

## ■ Customer Success

- Deliver care consistent with SAGE's Mission Statement; "Return on Mission" (ROM)
- Focus on client acquisition and retention (referrals, contact conversion to client, service integration)
- Enhance the feedback from clients to continuously improve HC and SPAD service delivery (discharge interviews, surveys, outreach to former clients, or those choosing other providers)

## ■ Human Capital

- Improve employee compensation and benefits
- Provide ongoing staff training and career growth

# 2024-2025 Priorities, Goals, Actions, and KPIs

## *Financial Results*

### ■ Clinical Services:

- Continue to increase HomeCare revenue, number of clients, average hours per client and weekly total hours of service (weekly census)
- Improve revenue mix; target private pay share 50/50, lower client concentration
- Improve Spend-A-Day revenue, maximize number of clients (40-45), average hours per client and weekly total hours of service (weekly census), target private pay share 50/50, lower client concentration

### ■ Development:

- Continue to build toward larger gift donors
- Research software products to identify new donors with wealth and affinity to mission, and refine data of existing donors

### ■ Investment Portfolio:

- Build meaningfully to provide income and fund capital expenditure needs with Investment Portfolio goal of \$1,500,000-2,000,000

# 2024-2025 Priorities, Goals, Actions, and KPIs (cont.)

## ■ Customer Success

- Improve Client utilization of multiple SAGE services to fit their needs as they change
- Continue to evolve SPAD program elements to engage participants

## ■ Internal/Operational Excellence

- Build Development effort excellence to steward donor relationships and increase revenue generation
- Expand sources of staff, clients, volunteers and offering finder's fee
- Form support groups: early ALZ, caregiver, support
- Add Care Services (Companionship/Info Care)

## ■ Human Capital

- Provide competitive compensation for staff
- Enhance benefits structure to be more competitive