

ADVANTAGES OF SOUTHEAST AR, INC.
STRATEGIC PLAN
July 1, 2017 – June 30, 2018

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Program Overview

Advantages of Southeast AR, Inc. has been providing services to individuals with developmental delays/disabilities for over 40 years. The agency provides center-based services 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, three (3) counties for Adult Development and four (4) 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 County
Center Location: Monticello

Discovery Children's Center, (DCC):

Preschool: Drew, Lincoln, Bradley, and Ashley County
Center Locations: Monticello, Crossett, and Star City

The Discovery Children's Center in Monticello has an existing debt of approximately \$2.35 million. The facility serves children in Drew and Bradley County.

The Discovery Children's Center in Crossett continues to lease the building from the Crossett School District. The building was previously used by the school district as an elementary school. Although the building has amenities needed to provide services, there are some issues with accessibility and safety that the agency cannot eliminate due to the lease agreement.

The DCC, Star City, completed a \$100,000 remodeling project and began serving children at the new site in July, 2016. No debt was acquired; the cost was paid for through existing reserve

funds. There are tentative plans in place for further small building projects in Star City. Currently, those plans are under consideration by the Advantages, Inc. board.

The Administration Office is located in Monticello and houses human resources, and accounts payable/receivable. The executive director and waiver case management staff are housed in the Monticello preschool office. The information technology and compliance offices are housed in the adult development building.

Advantages, Inc. considers 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 and planning for the use of information technology to support our operations, develop an efficient method of service delivery and enhance 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 quarterly progress notes and meeting minutes.

Due to the magnitude of on-going Medicaid reform and the impact it may cause, the Strategic Plan will cover no more than 2 fiscal years. The Executive Director and management staff will continue to advocate for consumers and families during the Medicaid transformation process and will take a proactive approach to changing internal policies and procedures.

Strategic Plan Revisions: October 2012, July 2013, July 2014, July 2015, July 2016, July 2017

State Advocacy Efforts

Advantages, Inc. is a member of the Developmental Disabilities Provider Association, DDPA. The Association has DDPA members sitting on various Medicaid Transformation committees and providers are assisting with the design and payment structure for services to the Developmentally Disabled. The Association is committed to insuring the quality of services provided to our consumers and families. The Executive Director is a member of DDS Human Development Center Strategic Team and the DDS Populations sub-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. 2010 Census data indicates the following demographic information:

County	Population 2000	Population 2010	White	Black	Hispanic	High School	Bachelor's +	Disabled	Unemployment Rate	Food Stamps	Families Below Poverty Level	Median Income
Arkansas	20749	19019	73%	24%	3%	79%	14%	13.5%	8.1%	25%	19%	37230
Ashley	24209	21853	71%	26%	5%	81%	13%	14.7%	12.4%	29%	19%	34934
Bradley	12600	11508	69%	28%	14%	69%	13%	14.7%	10.8%	30%	21%	29908
Calhoun	5744	5368	76%	22%	3%	78%	7%	15%	9.6%	17%	12%	32450
Chicot	14177	11800	44%	54%	5%	69%	13%	17.8%	10.2%	38%	34%	21676
Cleveland	8571	8689	87%	12%	2%	86%	14%	13.3%	7.6%	24%	15%	36957
Dallas	9210	8166	56%	42%	3%	80%	12%	17.6%	10.7%	27%	18%	29602
Desha	15341	13008	50%	48%	5%	73%	14%	14.6%	10.8%	34%	28%	29051
Drew	18723	18509	70%	28%	3%	81%	19%	12.6%	11%	27%	24%	32558
Grant	16464	17853	95%	3%	2%	85%	15%	23%	7%	15%	9%	51589
Jefferson	84278	77435	43%	55%	2%	82%	17%	13.7%	9.6%	30%	23%	35998
Lincoln	14492	14134	68%	30%	3%	73%	9%	15.5%	9.6%	23%	26%	35737
Phillips	26445	21757	36%	63%	2%	71%	12%	15.7%	11%	50%	32%	27361
Union	45629	41639	65%	33%	4%	81%	16%	14%	8.9%	19%	21%	36464

Analysis of the Changes Between 2000 and 2010 Census

County	Population 2000	Population 2010	Population +/-	Median Income 2000	Median Income 2010	Median Income +/-
Arkansas	20749	19019	-8.3%	37295	37230	-.1%
Ashley	24209	21853	-10%	36079	34934	-3.2%
Bradley	12600	11508	-8%	30621	29908	-2.3%
Calhoun	5744	5368	-6.5%	34908	32450	-7%
Chicot	14177	11800	-17%	24809	21676	-12.6%
Cleveland	8571	8689	+1.37%	39567	36957	-6.6%
Dallas	9210	8166	-11%	31608	29602	-6.34%
Desha	15341	13008	-15%	27555	29051	+5%
Drew	18723	18509	-1.15%	34919	32558	-6.7%
Grant	16464	17853	+8.4%	45165	51589	+14%
Jefferson	84278	77435	-8%	38018	35998	-5%
Lincoln	14492	14134	-2.4%	34820	35737	+2.6%
Phillips	26445	21757	-17.7%	26436	27361	+3.5%
Union	45629	41639	-8.7%	38616	36464	-5.6%

Religious Affiliation for Arkansas

Sample	Protestant	Christian	Catholic	Morman	Jewish	None
641	70%	9.2%	8.4%	1.2%	.2%	7.9%

Only Cleveland and Grant Counties gained population between the 2000 and 2010 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 both Cleveland, (Pine Bluff S.D.) and Grant County, (Pulaski County and LR School Districts). Cleveland County is 20 miles south of Pine Bluff. Salaries have not increased due to a loss of jobs in the Pine Bluff and surrounding areas. 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 35% 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 in 2015-2016 of 895 residents in Jefferson County. Low performing school districts, loss of blue-collar jobs, and problems with the local government within Pine Bluff are key reasons for the population shift in Jefferson County.

The service area for Advantages covers the Southeast quarter of the State. The area is very rural and mostly farm land. There have been no new employers moving into the SE area; therefore, families continue to migrate to more populous 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 migration of families from the county affected. As previously stated, all counties lost population except for Cleveland and Grant.

Southeast Arkansas is also considered the unhealthiest area of the state. Reasons for the rating include high poverty and 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 complicated the 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 to not only specialists but primary care physicians and transportation.

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 temples located in Southeast AR, and very few Catholic Cathedrals.

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 in order to support this population. The implementation of the Therap Data System will allow immediate translation of all required documentation and reports.

Financial Threats and Competitive Environment:

Competition

There are five (5) centers in our preschool service area: CB King, McGehee; First Step, Hamburg; Carousel School, Crossett; York Williams (Head of the Class), Monticello and Kids First, Warren (Bradley County). Additionally, there is a large ABC program operated at Drew Central School District and two (2) other ABC programs that operate in Monticello. The 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 blending of the children's DDTCS service model with the CHMS model will only increase the competitive environment that currently exists between DDTCS providers in the same area. DDTCS growth has been curbed by legislative rules on expansion while the CHMS model has not. There are 3 CHMS centers to every 1 DDTCS. CHMS centers have not been allowed to be licensed to provide DDTCS services in the past; however, with the blending of service models there will be no separate operational rules and standards for providing services. A workgroup consisting of representatives from each association is working to develop standards for a blended service model to present to the Legislative Task Force. At this time no new set standards for a blended service model have been released, but are in the works according to DDS Director Melissa Stone.

There are three (3) adult development programs in our service area: CB King, (McGehee), First Step, (Fordyce) and Jenkins, (Pine Bluff). We all face the threat of losing this service model under the CFCO and the Federal Governments definition of "community". Another factor that could be considered a threat for our traditional adult development program is the Workforce Innovation and Opportunity Act (WIOA) law and the new Employment 1st program. This programs help to put people with disabilities to work in the community. This is a positive step, but it does threaten our traditional adult DDTCS programs.

Several DDS Home & Community-Based 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, it offers a wide variety for choice in placement which can affect Advantages' financial stability.

Affordable Care Act

The 2016 Special Legislative Session was very contentious and was extended once before legislation an extension of the Private Option was passed. The Bill will allow for a 1-year extension to give DHS and its various divisions time to develop ways to meet each division's budget cuts ordered by the Governor. The cuts are needed to meet the State's increasing matching obligation under the ACA. DDS must cut \$250 million from its 2017 annual budget.

The Stephens Group was retained to assist the Legislative Health Task Force identify waste within the Medicaid System and duplicative service models within the agency's individual divisions.

The DHS Director completed studies within the operations of DHS and its inherent siloes that are in place. Although all the separate divisions are under the DHS division each division has their own HR, CFO, contracting officer, legal, purchasing and IT department. The legislature has been very critical of some big contract expenses that never had outcome measures attached and the State never saw benefits from the contract.

The former Ex. Director, along with other DDPA members, attended Task Force meetings to try and ascertain the direction they may be taking on service models. It is clear that the Task Force is strongly considering a managed care system for Medicaid. DDPA hired a consultant to meet with members to develop a strategy to offer an alternative to managed care. It was the opinion of providers that DDS services are already under a form of managed care since service hours and reimbursement rates are already set by the State. At this point in the state's FY, it appears that our waiver services are moving 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 owned. Individuals will be 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.

CMS declared that the current operating system which allows a DDS licensed provider to offer both case management and provider implantation services for the same individual does not meet the standard of "conflict-free case management". 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 will not approve the Waiver Renewal unless the state implements the requirement that each service provider can only offer one or the other service to a consumer. CMS approved the waiver with the implementation of the PASSE's.

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 has since been pushed back to October 1, 2017 and is not expected to be fully in operation until January 2019. Changes to all areas of the DDS service model and reimbursement rates will affect all programs within Advantages. It is unclear the financial impact these changes may make.

Advantages, Inc. will plans to invest in and join the provider led PASSE (it does not have a name yet). Advantages plans to join all PASSE's that operate in our service area, but only invest in the one.

ACA Employer Mandates:

October, 2017 is open enrollment for the next plan year. There have been several unsuccessful attempts to repeal or adjust the current ACA mandates. None have been met with success. We will continue on as in previous years with following the insurance mandates.

The FY17 budget was set using current insurance costs plus and upcharge to try and cover additional members or the cost of a penalty.

Department of Labor – Minimum Wage Law

The new minimum wage law went into effect January 1, 2017. It will affect the agency in 2 ways: 1) current employees at the \$8.00/hr rate will need to be paid \$8.50/hr; 2) the \$.50/hour rate adjustment will cause an impaction of the existing pay plan which will cause some long-term employees to make the same as new employees. The 2017 budget reflects all of these changes and allows for those individuals adversely affected by the minimum wage increase to receive commensurate increases.

Medicaid Transformation – Service Model and Payment Structure

Governor Hutchison’s bi-partisan Legislative Task Force continues to review the current Medicaid system and recommend changes to service models and reimbursement schedules. The Government Activities Committee is currently working with DHS/DDS to come up with a plan to save the required \$250 million.

The state also decided, as a cost saving measure, to put a cap on therapy units prescribed without prior authorization. Effective July 1, 2017 a therapist could not bill for more than 90 minutes/week without a PA. This is predicted to save millions in the Medicaid budget. Arkansas Foundation for Medical Care (AFMC) received the contract to have clinicians review the request for additional units of therapy. Decisions are supposed to be made and returned to the providers in three business days. The roll out process for this change was not a smooth one, but currently it appears that the bugs have been worked out and processes are clear and understood by both DDS and AFMC.

Changes to Home & Community-Based Waiver are also being considered. The wait list must be addressed in the plan developed by DDPA and the Waiver Association. It is my understanding that DDS will consider 2 waivers: the current one in place with the current service options and one that will be based on evaluated need (3rd party) and will only offer base services which will be outlined in the waiver. Earlier in the FY the governor approved the use of “Tobacco Funds” to address the wait list. It was estimated that with the Tobacco Funds at least 500 people would receive some waiver services and be removed from the wait list. They were supposed to be receiving services by July 1. As of mid-July, all people that are to receive services have been notified but neither services nor assessments have started.

Every aspect of service delivery now in place under Medicaid will transform during the next two or three years. Once new rules and regulations have been promulgated by the State, Advantages’ management staff will rewrite the agency’s Operations Manual and implement needed policies.

DDPA has members actively serving on various work groups that are assisting the Department of Human Services, (DHS), Developmental Disabilities Services, (DDS), and Legislative Committees with the transformation of service delivery models, payment schedules, quality control and performance indicators.

Advantages, Inc. is aware that there is discussion about removing transportation to and from DDTCS centers as a billable service. It is the opinion of the board that should it come to removal of transportation, we will consider the cost and operation of transportation services without reimbursement.

Changes in eligibility, reimbursement rates, qualifying hours of service, and staffing criteria will all impact the financial stability of the agency.

Supported Employment- Employment First Initiative

Advantages, Inc. does not have a work activity program and no longer holds a wage and hour certificate which eliminates our ability to attract younger consumers to the adult program. The economic distress of the area played a role in eliminating the supported employment service. Several factories and industries closed in the past 10 years and Monticello is home to the University of Arkansas-Monticello. The loss of jobs and a large number of students looking for work also added to the pressure of local employers to hire the non-disabled rather than hire our consumers. In addition, the federal government is considering stricter procedures to access the financial support for sheltered workshops. However, providers are currently working with Arkansas Rehabilitation Services, (ARS), to expand supported employment within the State under the Arkansas Works program.

ARS received a grant to develop what is known as the Employment First Initiative to take the place of supported employment. Governor Hutchison is very supportive of the initiative and has vowed to support legislation that gives employers incentives for participating in the program.

Advantages, Inc. continues to receive consultation services through DDS and ARS to implement Supported Employment. The school districts are supposed to begin implementing employment skills into the students IEP's. Once this happens and Advantages, Inc. begins operating in supported employment, we plan to become a training site for the local high schools.

Health Information Technology, (HIT)

A part of the State Plan Amendment, (SPA), and Medicaid transformation is the inclusion of health information technology that would enable providers to share information with Physician's, clinics and hospitals in order to manage the consumer's health care. DDPA has representatives on a state workgroup that is developing a test model. Pathfinder, Inc. will be the "test" provider. The system would allow sharing of individual plans, prescriptions, and offer case note and skills tracking.

A big issue with HIT is a lack of infrastructure in rural areas of the state. Although DDPA and DHS/DDS is 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 be set aside due to the directive to reduce Medicaid costs.

Advantages, Inc. entered into a contract with Therap for electronic data support in June, 2016. Implementation goals are in place. A "Go Live" date of September 1, 2016 for DCC-Monticello and DSC was set and met. We have since added Crossett and Star City as live operations and have identified Jan 1, 2018 as a "Go Live" date for our waiver department. We anticipate that this will allow time for changes to be in place before we begin the documentation in Therap.

Financial Opportunities:

Advantages joined a provider co-operative for the START program in FY2014. The program may present a new funding source if CMS approves the service under the waiver plan.

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.

The Employment First Initiative would bring a new funding source if the legislature grants funding through the Medicaid program. The agency has certified Job Coaches and has added Supported Employment to our License in hopes that the initiative receives adequate funding.

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 will 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. Advantages, Inc. could meet any personnel needs due to an expansion of children’s services.

Current Statistical Information For Areas Served By Discovery Children’s Centers:

County	Poverty Rate 2017	Median Income 2017	Co. Unemp Rate June, 2017	State Unemp Rate June, 2017
Ashley	21.9%	\$35,683	5.0%	3.5%
Drew	28.5%	\$31,171	4.4%	3.5%
Lincoln	27.6%	\$32,697	3.9%	3.5%
Bradley	27.6%	\$29,221	4.1%	3.5%
Desha	28%	\$29,051	5.2%	3.5%

There have been no major job developments in the past FY. Advantages, Inc. is one of the top 10 leading 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. 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 that serves our catchment area to assist with medical transportation. Agency case managers are available to assist individuals in our service with scheduling medical transportation and will assist with the fee when needed.

The waiver waiting list currently averages a wait of 8 years. There is a service need in Southeast AR and throughout the state to move the 3,000+ individuals off of the waiting list and in to services. Some think that the savings under Medicaid reform would fund the cost of eliminating the wait list, others are unsure and do not want to start another unsustainable program. Should the wait list begin moving, Advantages, Inc. stands ready to hire and train qualified staff.

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 12 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 children's services. Our commitment is to provide quality services in our 14-county service area. Funds will be made available to expand any service model and there is a workforce readily available to meet expansion needs.

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 good 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 will be conducted and results will be 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 are insurance outcomes that will enable the agency to achieve, sustain, and advance its mission.

The agency will establish the 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 conducted a satisfaction survey that included employees, individuals served, guardians, parents, and Board Members. Results from the FY2017 surveys were used to change policy, improve business practices and set agency goals.

Financial Strength

The FY16 audit was completed by Searcy and Associates, Inc. in October, 2016. The audit did not receive any written deficiencies.

The FY17 audit will not be conducted until October, 2017 and the FY17 year-end statement cannot be completed until all outstanding debt has been paid. However, the Agency unaudited financial report ending June 30, 2017 had a year-to-date Change in Net Assets of \$1,843,127.00

Advantages, Inc. assumed debt in 2012 in the amount of \$2,500,000 from USDA and \$500,000 from Commercial Bank for the construction of the new preschool. The agency made additional payments to the 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, 2017 was \$2.360 million.

Fiscal Year End Fund Balances (unaudited)	\$11,333,087
Cash Balances, June 30, 2017	
Union Bank, Operating Account:	\$8,296,774
Union Bank, Matching Fund Account:	113,812
Simmons Bank:	201,323
Union Bank, Payroll Account:	131,889
USDA Grant Account:	102,600
ASFCU Account:	164,952
Parkway CD	100,000
CB&T CD	128,335
Union Bank CD	13,460
Petty Cash:	15

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 salary stipends in lieu of cost-of-living increases over the past four fiscal years due to Medicaid transformation, minimum wage increases, possible reimbursement adjustment changes and increases in employer-sponsored insurance premiums. Stipends were granted to employees of these

divisions regardless of full or part-time status as long as they worked for the agency 6 months. The stipends ranged from \$700-\$1500 depending on the position held. Most stipends represented more than a 3% raise. The agency also paid the taxes for the employee and gave the stipend out the week of the back-to-school free tax weekend. The stipend enabled to agency to give an amount comparable to a COLA, but not encumber future budgets. The stipends cost the agency approximately \$92,000 and were paid from FY17 funds.

The stipends were paid in addition to pay increases due to the 2017 minimum wage increase and resulting salary adjustments.

Strategic Planning has enabled the management team and Board of Directors to take pro-active budgetary action before the new programs and payment schedule is implemented. We have been able to reduce our workforce by using existing employees to transport consumers rather than hiring separate transportation employees, realignment of duties, and reducing positions that are not bound by mandatory ratio requirements.

Corporate Responsibility

The Board 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, Lincoln and Drew County
2. Kiwanis: Ashley and Drew County
3. Developmental Disabilities Provider Association
4. ArSTART Southeast Area Cooperative
5. Autism Speaks
6. Monticello and Drew Central Parent Association
7. Monticello and Drew County Baseball Leagues
8. Junior Auxiliary
9. Monticello Parks & Recreation Committee
10. Hope Place
11. Farm Bureau Board

Service Provisions

Preschool

Developmental screenings are conducted prior to entry into the Preschool program. If the child has a delay in two or more areas of development, the child can be admitted into our DDTCS

program. 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 insure 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 also 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
- Individual & Family Supports

Adult Development

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 a developmental profile that can be used to development 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 |
| Case Management | Referral Services | Individual & Family Support |

Waiver

Waiver consumers have a choice as to service provider and case manager. If Advantages is selected to perform one or both of the functions we complete all required DDS documentation needed to provide services. Activities include, staffing according to the needs assessment and schedule set by the programming team, case management activities such as assisting with application process for food stamps, section 8 housing vouchers, medical transportation, etc.

The goal of Advantages is to allow the waiver consumer services in the least restrictive environment, assist them in exercising their rights, assist 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 in PCSP)
- Medical Transportation (if services cannot be accessed- Private Pay Reimbursement by Consumer)
- Case Management
- Referral Services
- Specialized Medical Supplies
- Evaluation
- Individual & Family Support
- Consultation Services
- Environmental Modifications
- Assistive Technology

Children's Autism Waiver

The Children's Autism Waiver is a program offered through UAMS-Partner's for an Inclusive Community. Criteria and standards are set by Partner's. Children must be no older than 5 when they enter the program in order to allow for 2 full years of intense intervention. Parents must commit to 20 hours of one-on-one time in addition to the paid staff intervention.

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 in order to be licensed.

Advantages received a 3-year accreditation from CARF in December, 2014. 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, DDS Licensing and Certification Unit, Hwy & Transportation Department, Department of Education, 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 \$2.360 million through USDA. The USDA-RDA loan is for a period of 40 years.

Annual Report

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