

## **VI. Organization and Management**

### **Management Plan**

Victory Health Care services LLC management will include:

- The Governing body
- The Consumer Advisory Committee

### **The Governing Body**

Presently no Governing member is making any financial contribution to the business, they will therefore have no financial stake in the company. The Governing Body will consist of five people to include the Chairman and Program Director. The Governing Body's members' roles, powers, limits and distributions are outlined in the Articles of Association of the Victory Health Care Services LLC. The Governing Body will make the major decisions on the running of the business, with advice from the Program Director and the Consumer Advisory Committee. The Governing Body shall meet twice every year to review a written Quality Management Plan, Program's Mission, Long-range goals, Policies & Procedures, and budget.

### **The Consumer Advisory Committee**

Victory Health Care Services will appoint a Consumer advisory Committee with one-third membership comprising of representatives of the cultural and social make up of our principal area of operation as well as family members of the individuals being served by our program. The Advisory Committee will be voluntary and will be headed by the Program Director. The Consumer Advisory Committee will act as a watch dog and think tank for improving customer satisfaction and service.

### **Staffing Plan**

The staff of Victory Health Care Services LLC will be divided into administrative, clinical, and support staff positions. These roles will include:

- i. Program Director
- ii. Licensed Social Worker
- iii. Case Manager/Rehabilitation Specialist
- iv. Family Services Counselors
- v. Administrative Assistants

### **i. Program Director**

A Program Director will be responsible for the implementation of the policies and guidelines developed by the Advisory/Governing Body for the day of the OHCQ as laid out in this proposal.

The Director will be the communication link between the Program and the Governing Body as well as between the program and administration, ASO, and the CSA.

#### **Qualifications & Training Requirements**

- Bachelor's degree or its equivalent.
- A minimum of two years experience working with mentally ill or emotionally disturbed children at a supervisory level.

### **ii. Licensed Social Worker**

The social worker will have an up-to-date license in social work and will work on a part time basis for a minimum of 20 hours a week.

#### **Qualifications & Training Requirements**

- Bachelor's degree or its equivalent.
- Social Work License.
- Relevant work experience.

### **iii. Case Manager/Rehabilitation Specialist**

The Rehabilitation Specialist will conduct initial psychological evaluation on all new referrals and will conduct reviews when an old evaluation lapses. The LCSW-C will be the Chairperson for admission and ITM (Interdisciplinary Team Meetings) for reviews and discharges. Other duties will include review of the clients' case files to ensure adequate proper documentation. He/she will also ensure quality assurance by enforcing compliance of client's management as stipulated by law. This will be a full time position of 40 hours a week.

#### **Qualifications & Training Requirements**

- Bachelor degree in Social science, Humanities, or Psychology.
- Relevant Work experience in Mental Health Services.

#### **iv. Family Services Counselors**

Duties will include counseling the clients, providing mentorship and advocacy, tutoring the clients, and monitoring the clients' progress according to individually stated goals.

##### **Qualifications & Training Requirements**

- At least a High School Diploma.
- At least two years of relevant experience working with the mentally ill or emotionally disturbed children.

#### **v. Administrative Assistant**

This individual will be responsible for most office administrative duties such as answering the phone, receiving and signing in clients, and perform medical billing duties.

The administrative assistant will be stationed at the office and have a full time 40 hour work week.

##### **Qualifications & Training Requirements**

- A High School Diploma.
- Computer Literacy and working knowledge of Microsoft Office suite.
- At least two years' experience in Medical billing.

## VII. Service Line

Victory Health care Services LLC is a For Profit Psychiatric Rehabilitation Program (PRP) Company that offers rehabilitation services to children and adolescents between the ages of 5 to 21 years old in Baltimore area and its surroundings. Upon referral by the Maryland Department of Social Services, local schools, or other facilities, Victory LLC will provide the service needed, in full compliance with Federal, State, and Mental Health statutes and guidelines.

After submitting invoices for services, Victory will then receive payment for the services rendered from the Maryland Medical Assistance program. The main objective of the PRP is to provide personalized service to individuals to reduce the symptoms of psychiatric disorders and behavioral problems in children and adolescents specifically but not limited to depression, anxiety, and attention deficit disorders.

Per State guidelines, the Public Mental Health System rates Effective January 1, 2013 for private practitioners for the PRP, Victory will offer the services:

- (i) S9445: On/Off site PRP Services for Client in supported employment (\$104.96 Monthly Rate/2 Visits)
- (ii) H2018-U2: On/Off Site PRP Services for Community Client (416.41 Monthly Rate/3 Visits)
- (iii) H2018-U2: On Site PRP Services for Community Client (\$178.68 Monthly Rate/2 Visits)
- (iv) H2018-U2: Off Site PRP Services for Community Client (\$237.72 Monthly Rate/2 Visits)

### **VIII. Marketing & Promotions Strategy**

Victory Health Services LLC will use all possible and appropriate venues and methods to market our professional services. The business will plan to phase in other potential target markets once our primary target market is fully developed and stable.

Interactions and networking with the other health and psychiatric community groups are key to building business awareness and keeping abreast with current trends. Professional organizations and continued outreach activities will provide an impact for branding the business. Social media promotion, website marketing, participation in events such as health fairs, panel discussions, or the like are things that can be done to promote the business.

## **IX. Financial Projections**

As a start-up, all the financial projections use assumed figures derived from market research. This numbers will be revised up or down as the business progresses. However, the numbers used are very closely in line with the present and future market outlook. These projections are related to the controlled revenue set by the Medical Assistance program, and the only major variable is the number of clients served.

Financial schedules are as follows:

- Start-Up Financial Plan (Balance Sheet)
- Expected Revenue Projection
- Expected Costs & Expenses
- Pro Forma Financial Statement
- Break Even Cost Analysis
- Funding

- **Balance Sheet**

The balance sheet lists all the start-up organizational investments and asset purchases, as well as long term assets of the business. The beginning balance sheet shows the start-up capital, initial cash and inventory investments in the business and the remaining cash reserves needed to off-set any contingencies.

Below is the beginning balance sheet, showing the start-up figures.

**Victory Health Care Services**

**Balance Sheet (Beginning)**

**ASSETS:**

Cash Reserves .....	\$33,000.00
Accounts Receivable.....	\$0.00
Vehicles.....	\$12,000
Office Equipment.....	\$2,300
Prepaid Rent & Utilities.....	\$1,500
Furniture & Fixtures .....	\$1,000
Supplies.....	\$500
<b>Total Assets.....</b>	<b>\$50,300</b>

**LIABILITIES:**

Accounts Payable.....	\$10,000
Taxes Owed .....	\$0.00
<b>Equity.....</b>	<b>\$40,300</b>
<b>Total Liabilities and Equity.....</b>	<b>\$50,300</b>

- **Expected Revenue Projection**

The expected revenue projection spreadsheet shows the projected revenue from the client visits for the first few months of the startup year.

The revenue projection uses:

- (i) The PRP Services State-determined Monthly rate per a certain number of visits, to be paid by the Medical Assistance program to Victory. Thus,
  - S9445: On/Off site PRP Services for Client in supported employment (\$104.96 Monthly Rate/2 Visits)
  - H2018-U2: On/Off Site PRP Services for Community Client (416.41 Monthly Rate/3 Visits)
  - H2018-U2: On Site PRP Services for Community Client (\$178.68 Monthly Rate/2 Visits)
  - H2018-U2: Off Site PRP Services for Community Client (\$237.72 Monthly Rate/2 Visits)
- (ii) An anticipated number of clients served every month.
- (iii) A projected modest increase of two clients, per PRP category, per month.

Below is the proposed expected revenue projection, showing the projected figures.

- **Expected Costs & Expenses**

The expected costs and expenses include the fixed costs and expenses, and the projected variable costs and expenses incurred every month as the business expands and as it serves more clients.

The fixed costs are expected to remain constant for the first year. The largest variable cost, the salaries & wages of employees, is expected to be the most determinant of the future costs of the business. However, since the business is based on the client/employee ratio, the employees will be hired on an as needed basis, therefore keeping the business profitable for posterity. The employees needed for any month were determined by using the number of clients served, the number of visits required per month, and thus the corresponding work hours needed to meet the clients' needs.

Below is the proposed expected costs and expenses spreadsheet, showing the projected figures.

- **Pro Forma Financial Statement**

The Pro Forma financial statement is a consolidation of the Expected Revenue and Expected Costs & expenses of the business for the first few months of the business and is instrumental in anticipation the profitability of the business and computing the Break-even cost'analysis.

The proposed Pro Forma Financial Statement is shown below.

- **Break-even Point Analysis**

The break-even point is the point in the life of the business at which the company neither realizes a profit nor a loss. It helps us to determine the profitability timeline of the business and how much cash reserves are needed to be tapped and infused in the business until profitability is reached.

The break-even point for the business occurs at around the *10<sup>th</sup> week* of running the business with about **31 clients** being served at the time. This means that even if the company only gets to serve half of the projected clients, the business will still be able to run on cash reserves for at least the first 6 months.

Below is the proposed break-even cost analysis graph, showing the projected timeline of profitability.

- **Funding**

Per the above financial projections, there will be an obvious need for the some cash reserves to be secured and made readily available as needed, to offset any financial losses or unexpected costs and expenses. Therefore, the founders of Victory Health Care Services have set aside **\$33,000.00** in a bank account to meet this very need. This amount is in addition to the other cash and inventory investments already made in the business.

The Cash reserves will be able to offset any losses for at least a year, assuming a worst case scenario whereby the company has a very poor client subscription and retention. This worst case scenario is very unlikely, due to all the advantages that Victory has, and all preparations made by the founders to ensure a successful business.

In addition, the Joint Commission accreditation application, plus the on-site survey fee of **\$2890** will be deducted from the cash reserve.

### **Victory Health Care Services**

#### **Sources and Uses of Funds**

##### **Sources:**

Cash from Owner .....	\$28,300.00
Vehicle from Owner .....	\$12,000.00
Investment .....	\$0.00
Bank Loan .....	\$0.00
<b>Total .....</b>	<b>\$40,300.00</b>

##### **Uses:**

Office Equipment.....	\$2,300.00
Furniture & Fixtures.....	\$1,000.00
Rent & Utilities Deposit .....	\$1,500.00
Licensing & Fees.....	\$1,500.00
Supplies .....	\$ 500.00
Other Start-Up Costs .....	\$ 500.00
<b>Cash Reserves.....</b>	<b>\$33,000.00</b>
<b>Total .....</b>	<b>\$40,300.00</b>

### **VIII. Appendix**

- Bank Statements
- Resumes
- Certificates