

**THE HAVEN**  
**2021 Annual Report**  
Oct 1, 2020 – Sept 30, 2021

For Presentation to The Board of Directors Jan 25<sup>th</sup>, 2022

**COMMENTARY**

*It has been a tumultuous year for at least the following reasons: COVID continues to have an effect on our services; we have had senior staff come (and go); we experienced a fire at one of our residential buildings; and the executive director announced her decision to leave her position after 17 years. Like the prior year, although for different reasons, it has been tough. My thanks go to each and every staff member for the work they do and for the difficulties they have faced and overcome. My thanks also go to the Board of Directors for their full support of our staff, our services and our programs during these difficult times.*

**Stresses:** October 1 2020 to September 30 2021 was a year of stresses and changes, with Covid-19 affecting services, and staff, for the entire year. The nature of our services (congregate living for females) does not encourage potential clients, as Covid and close quarters are not a happy mix, and females are the most affected in this Covid-driven economy. Thus our census (lower than we would like), our staff (absent due to Covid, or harder to hire), our mode of program presentation (virtual, hybrid, gradually returning to in-person), our finances (not as robust due to a lowered encounters), and our organizational processes and policies (articulation of how and why we conduct our services in light of Covid) have all been affected.

**Staff:** Our staff continues to be remarkably stable, with most of the Administrative staff having been with The Haven for 8 years and more. QM/PI has been with us for over 5 years, and our Outpatient Program Manager has been with us for over three years already. Clinical staff have changed a little more often, but over the recent years the (relatively) new staff (Director of Clinical Services; Residential Program Manager) demonstrate the potential and desire for long-term commitment.

**Payments:** The following represents a significant change from the prior year's report: Per Cynthia Duncan, Finance/IT Director: At year-end, 94% of the non SABG (Substance Abuse Block Grant payable by Arizona Complete Health) Client Accounts Receivable is aged less than 90 days. And, AZCH only owed \$72k on their pre-2021 receivables. Kudos to The Haven's Billing Manager, Allie Lippard, and to Cynthia Duncan, Finance/IT Director, for their hard work, dedication and, admittedly, frustration throughout the year, as they worked with payers to achieve this outcome.

**Services:** The development of our Intensive Outpatient and Outpatient services continues, but, due to the continuing-care system for clients moving from residential to IOP/OP, as medically necessary, and as required for the long-term health of the clients, growth is hampered in part by lower census in the residential. The Outpatient programs are, however, holding their own and have substantial potential for development. The Residential program has been hostage to Covid 19, with the census fluctuating according to the presence/absence of the infection. Staff have set up quarantine and isolation units, and are providing services to clients within these units. All praise to staff for their hard work, dedication, and willingness to work under uncertain circumstances, for the good of our clients.

The Annual Report is organized per the Commission on Accreditation of Rehabilitation Facilities and will be divided into Business Functions and Service Delivery.

## 1. BUSINESS FUNCTIONS

### **A. Financial**

**Snapshot:** Per Cynthia Duncan, The Haven's Finance/IT Director, our income for 2021 was \$6.3million and expenses were \$5.9million, leading to a net gain of \$290,780. Cash on hand at year-end was sufficient for 302 days of operations.

*Challenges, action and results:* compared with prior years, and as shown in the snapshot earlier, the challenges were relatively few, vis a vis the paying sources.

- a) **Challenge:** The following challenge remains true: Staying financially viable as a behavioral health business during the times of the Covid-19 pandemic. Viability remained dependent upon a steady stream of clients accessing our services, for which we could 'encounter' (invoice) the paying insurances with which we are contracted (AZ Complete Health, United and Banner, and judicial entities), and upon having an adequate complement of staff to provides services to the clients in our care.

**Actions to overcome the challenges:**

Monitoring revenue closely, to try to ensure monies were available to cover expenses, and offering suggestions to staff for expense reduction and / or service efficiencies.

**Results:** The Haven has stayed financially viable, albeit with a smaller cushion in the bank.

- b) **Challenge:** It took us until well into 2021, working through issues with Arizona Complete Health, in order to receive 2018/2019 payments. United and Banner continue to be easier to work with, possibly because they did not have earlier system issues, as AZCH did when it transitioned from Cenpatico, and subsequently.

**Actions to overcome the above:**

Held constant meetings with account representatives at AZCH; Retained good relationships with the payers to help ease the negativity arising from their lack of payment.

**Results:** 94% of the non-Substance Abuse Block Grant client accounts receivable is aged less than 90 days; And there is only \$72k owed by AZCH on its pre-2021 receivables.

- c) **Challenge:** Keeping expenses down is always a challenge, but especially so when, by and large, staff complement has to be retained even if the census (revenue generation) is down; and staffing costs rise due to increased competition in the workplace for the relatively few staff willing to work in a congregate setting during Covid-19.

**Actions related to the above:**

Finance and Admin staff kept a constant eye on costs, and encouraged clinical staff to do so too; we had to increase hiring of Residential Technicians due to Covid-19 concerns, but (as often as possible depending on the census) surplus Residential Technicians were sent home; employment of contractors was kept to a minimum. Competitive pay rates and sign on bonuses were offered, to ensure we were able to hire staff.

**Results:** Salary budgets increased by almost \$200k; staff complements were increased in some catgories; we struggled with the budget.

- d) **Challenge:** Finding an operational model for IOP/OP that covered costs and that met the needs of the clients.

**Actions to address the challenge:**

Alter the numbers of groups held throughout the week; rigorously document and encounter accordingly.

**Results:** Revenue was variable until declines set in, about August/September.

**Future Actions:**

As it is the way of the future, The Haven should continue its growth of strong, viable, Outpatient and Intensive Outpatient programs

The Haven should, even during Covid-19, work to increase the residential census back to the high 40s – low 50s.

The Haven should increase its efforts to develop referring relationships with other behavioral agencies, including Detox providers.

**B. Contracts**

**Challenges faced, actions taken and results:**

a) **Challenge:** There is a continuing attempt to a) sign contracts with commercial insurances to cover payments for services to non-Medicaid clients, and b) to thus be able to encourage and accept commercially covered clients into both the residential program and into the IOP/OP programs. Similarly there is a continuing attempt to accept self-pay clients into our services.

**Actions:** Meetings were held with commercial payers: for example, with United.

**Results:** Contract negotiations remain muted, as some of our processes (e.g use of peers during therapy groups in the Outpatient program), in light of their comments, were addressed and corrected; it also remains true that some of their Residential service requirements (e.g. psychiatrists in our employment, and 24 hour medical services) are out of our financial reach, and are better suited to larger agencies acting as health homes or similar. Thus, very few of our residential clients are covered by commercial insurances, or are self-pay, while a slowly increasing but still small fraction of our outpatient and intensive outpatient clients are so covered, or are self-pay.

**Future Actions:**

Unstated in the paragraphs immediately above (because it is not an issue facing just last year alone), we have had an historic issue with licensed beds having to be retained for persons (presumed to therefore include children) who are with their mothers (a child is a 'person/resident' and therefore must occupy a licensed bed per State licensure rules). The issue is that a child occupying a licensed bed means that The Haven has one less potentially revenue generating bed to utilize. The Haven will continue to explore with the state of Arizona how to remove the statement that every 'person/resident' (which necessarily includes babies) must occupy a licensed bed.

The Haven will continue to try to attract private pay clients and will continue to try to contract with commercial insurances.

**C. Clients, & Tucson Community**

**Challenges:** More immediately: To keep our Residential (congregate living) clients, our IOP/OP clients safe, and our staff safe, as far as possible safe from getting Covid.

Long term and ongoing challenges: To remove the concept that substance use disorder is a moral or ethical failing; To reduce the stigma associated with the disease of substance use disorder; to address most specifically that substance use disorder in women is a disease, just as it is in men, and is in no way more of a moral failing, or any more worthy of stigmatization.

**Actions:**

International, national, state, and local guidelines for managing the spread of Covid-19 are constantly researched, read, assessed and applied to both clients and staff.

Medical and behavioral guidelines (Center for Disease control, for example) were, similarly, sought, researched, read, assessed and applied to client management and to staff management.

Protective equipment (masks, shields, and sanitiser) continue to be purchased.

The detailed manual outlining procedures related to the management and mitigation of Covid-19 is constantly updated.

Staff continue to be members of multiple Boards and committees, working to get the message to the community that SUD is a disease

Staff continue to have a strong presence at community events.

Clients are taught to understand that they have a disease, not to be ashamed of, but to be managed effectively.

**Results:** We have to hope that rigorous applications of Covid-19 mitigation strategies are effective, and that constant communication in the community is ultimately productive.

**Future Actions:**

Continue Covid mitigation strategies, for both clients and staff.

Continue the number of talks being given to the community.

**D. Personnel (Clinical, Medical & Administrative)**

**Challenges:** I can only repeat the following, from the prior report, as the challenges remain the same: To keep our staff safe as far as possible from catching Covid-19. To ensure that we have adequate, qualified, staff, including PRN staff, to satisfy the needs of the Residential program, and to further develop the Outpatient Clinic. These needs were exacerbated by Covid-19 and its impact on our programs and services. A major concern continues to be that staff will get Covid-19, have to be absent from work and so impact the services we are able to give to our clients.

We hired and/or continued to acculturate new staff: The Clinical Director was relatively new to us (being hired just a few months before October 2020, the start of the period of time covered by this report); as were the new Program Manager for the Residential program; and the new Registered Nurse.

Administrative staffing remained stable, apart from our hiring a new Director of Operations, and apart from the Executive director announcing her intention to retire.

**Actions:**

With reference to staff, international, national, state, and local guidelines for managing the spread of Covid-19 were researched, read, assessed and applied, and medical and behavioral guidelines (Center for Disease Control, for example) were, similarly, sought, researched, read, assessed and applied to staff interactions with each other and with clients.

We continued our rely on our employment lawyer, Ron Stolkin, to provide us with relevant and timely information related to employment, staffing, and Covid-19.

Protective equipment continues to be purchased for staff.

The Board of Directors opened a national search to find a replacement for the current Executive Director.

**Results of the above:**

We are in a very strong position regarding administrative, clinical, and medical personnel.

The new Clinical Director and the new Residential Program Manager, plus the RN, have brought with them organizational abilities: they have designed systems, processes, and practices that streamline the work of the staff.

There is a sense of gratitude for the parameters and systems introduced to the work flows.

As of September 30, 2021, the Board of Directors is still seeking a replacement for the current Executive Director.

**Future Actions**

Continue to work towards stability of staffing at all levels.

Hire a new Executive Director.

Ensure as many staff as possible receive the Covid-19 vaccination (giving all due regard to legitimate exceptions for vaccinations).

**E. Facilities & Equipment**

**Challenges:** Challenges in this direction can quite simply be described as keeping the property and equipment at the Residential site on Adelaide Drive in an acceptable state via constant upgrading and maintaining of the residential site, and the relatively recently acquired property on Glenn. Rooms, houses, and the common areas, both inside and outside are constantly in need of repair, and/or replacement. Likewise, for equipment, such as air conditioning and heating units, cooking facilities, furniture, and vehicles.

We faced a further challenge in 2021 when we had a client-induced fire at our duplex on the residential site. The fire necessitated partial demolition of both sides of the duplex. Unfortunately, due to Covid-19 there are shortages and supply chain issues regarding materials that are required to rebuild the duplex. We have no date for completion of this project, but had anticipated it being completed in January 2022. As of the writing of this report, that date is unattainable. Apart from the challenge related to rebuilding, the challenge also relates to our having a reduced number of beds available for clients. Insurance will cover the cost of the damage, and Cynthia Duncan, Finance/IT Director, is seeking monies from insurance to cover lost business revenues.

Another challenge is the internet connection, the unreliability of which affects not only communication between properties, and between ourselves and our paying agencies, but it also affects the telephone systems.

**Actions:**

- Constant purchasing of replacement furniture and other items.
- Refurbishment of bathrooms in houses on the residential site.
- Constant and active engagement with JNR, our technological support company, to provide support.
- Work with restoration companies, insurance, the city and other necessary entities, to rebuild the duplex.

**Results of the above:**

Apart from the duplex, our properties remain serviceable, and, for the period covered by this report, we continue to struggle with the internet vis a vis communications and our property.

**Future Actions:**

- Work with internet providers to upgrade our systems, even if there is an increase in cost.
- Rebuild the duplex.
- Keep on top of the replacement/refurbishment/maintenance needs of the properties, including the vehicles.

## 2. SERVICE DELIVERY

In reports prior to this one (written to cover the year 2021), there has been a comprehensive section covering Service Delivery. However, in recent years we have hired an expert QM/PI staff member, Kristin Lindberg, who has designed, developed and produced a full Quality Management Annual Performance Analysis. The QM report obviates the need for extensive detail in this section of the report. The QM Annual Report is attached, and covers The Haven's:

Mission, Vision, and Values

Highlights of FY2021

Client Characteristics in FY 2021 – Demographics

Critical Incidents, Formal Complaints, External Surveys

Outcomes (Utilization, Treatment, Incident Report analysis, Client Feedback analysis, Satisfaction, Chart Audits analysis, Financial Activity, and a Review of Improvement Indicators)

New Performance Indicators

Communication and Location of Data

(Please refer to the attached 'The Haven Annual QM Performance Analysis FY2021 October1, 2020-September 30 2021').

*A brief, executive overview of each section, for continuity's sake, and matching the sections of prior reports, follows*

**A. Effectiveness (are we achieving results)**

Yes, we are achieving results. However, we are achieving results in fewer clients than in prior years: in 2019 we served an average of 39.4 clients per day in Residential; then in 2020, 34.7 and in 2021, 32.8 clients.

Overall, we admitted 248 clients into Residential in 2021, 271 into Intensive Outpatient, and 124 into Outpatient. The average length of stay in Residential was 47 days, for IOP it was 62 days, and for OP it was 170 days.

We know that Covid-19 has affected the number of clients we can admit, as we need to reserve beds for isolation and for quarantine of clients if and when necessary. Plus, also, the fire in the duplex affected and continues to affect the number of beds we have available for clients.

**Service Delivery Challenges involved, as reported in other sections of this report:**

Keeping clients safe from Covid-19 during therapy, especially during group therapy sessions.

Keeping clients safe from Covid-19 while living in a congregate arena at the residential site on Adelaide Drive.

Keeping staff, who are providing therapeutic services, safe from Covid-19.

Hiring sufficient qualified staff to deliver quality services.

Working with insurances and with reconstruction companies to re-build the duplex

**Actions:** Testing staff and clients regularly for Covid-19; having face masks, and sanitizing gels on hand, rigorously ensuring a cleaning regimen, having social distancing for clients and staff, establishing protocols for quarantining clients, reducing and at many times disallowing visitors.

**Results:** The Haven settled into a new normal for service delivery.

**B. Efficiency (input/ output)**

**Are we being as efficient as we need to be, given our new realities? I think the answer is that we are not, solely because it takes time for organizations and their staff to recognize that if we retain our current full complement of services, and associated costs, (i.e. our Input), while serving and graduating a reduced number of clients, (i.e Output), with its concomitant reduced revenue, then efficiency is necessarily decreased. Future staff may need to reconsider the model used at The Haven, in order to regain and preserve efficiencies of operations. Also, improvement in staff responses to unplanned discharges may reduce clients leaving, and thus (if we maintain or improve the numbers of clients admitted) our census may improve.**

**Actions:** Continue to monitor input against output; review the model of service that we offer, and consider alternative models that can serve our purposes; continue to work towards reducing the number of unplanned discharges.

**Results:** The Haven has a reduced financial cushion. It is still solid, and still way ahead of many other behavioral health agencies, but it remains that, measured against our prior reserves, we have a decreased cushion. I would hope that if the actions stated in the prior paragraph are operationalized then The Haven's efficiencies, and reserve cushion, will return to its higher levels.

**C. Access**

**The Haven must continue – in fact, improve on – access to our services via mechanisms such as taking phone calls from prospective clients over the weekends, and via staff reaching out proactively and intensively to referring agencies, including Native American tribes and nations, to encourage their sending clients to The Haven. This need was reflected in the survey recently completed and report in the QM analysis: the community at large would like faster access, shorter time for responses and intakes, and 24/7 access.**

**Actions:** Implement a weekend process for taking phone calls; train staff to better respond to calls for individuals seeking our services, and from agencies referring clients. Implement and train staff to more proactively make calls to agencies, including Native American tribes and nations, to encourage their utilization of our bed space. Removal of the licensed-bed-requirement for children would be enormously helpful as licensed beds at residential would be free for adult clients. Consider alternative models to our current one, with particular focus on altering our current model for access to our services.

**Results:** With increased outreach to agencies, with a weekend phone call service, with improved staff responsiveness to incoming calls, and with a speedier system for accessing our services, The Haven can return to a higher census.

**D. Staff and Client Satisfaction**

**Staff satisfaction:** Differences in responses were found to exist across programs (Residential vs Outpatient) and across departments (Administration vs Operational). Of note from the QM report is that more staff have a greater understanding of the interaction between work and business, and communication between leaders and staff has improved. See the report for further analysis of staff satisfaction.

**Client satisfaction:** See the QM report for more detail on client satisfaction, and especially see p.29 of the report for client comments.

## SUMMARY

The Haven continues to experience challenges due to Covid-19, which has affected our client numbers in both Residential and in Intensive Outpatient/Outpatient programs, and has affected our staffing (employee sickness due to Covid-19, or away from their work due to contact with Covid-19 positive others; and difficulties in hiring of staff due to the nature of our facility and the necessary close interactions with clients in congregate care). It follows that, if client numbers are affected then so, in general, are our revenues (increasing encountering is an alternative way to counteract a loss of income; but encountering must match the needs of the clients). Throughout the year The Board of Directors has been kept abreast of the impacts of Covid-19 on our programs and services, and our revenues. Prior to 2021 we were able to weather the financial impacts, but throughout 2021 while we can still weather the impacts, we have been less able to do so comfortably. The Haven is fortunate to have a strong asset base. Our experienced and committed staff are dedicated and professional. We have the 'bones' of what is needed to flourish: we may need to think creatively about the models of services we offer, to best meet the external realities. In other words: is our model working now? Do we need to consider altering our model? If so: to what?

Earlier in this report I referred to my decision, in 2021, to leave the post of Executive Director. Thus, while I pose the questions in the prior paragraph about models of service, for best effect, for greatest efficiency, and for financial strengthening, I will not be involved in addressing these possibilities. My support will always be there for The Haven, and for the new Executive, as The Haven makes its way in this new environment.

**As this will be my final Annual Report, I give my deepest and most sincere thanks to the Board of Directors who, throughout the years, have been marvelous individually and collectively. Thank you so very much: please know how much The Haven, and the Board have enriched my life immensely.**

Further, all of the staff and clients at The Haven thank the Board members for their commitments and dedication to our work.

*Respectfully Submitted*

**Margaret Higgins, PhD  
Executive Director. January 18, 2022**

