



HEALTH DIMENSIONS GROUP

## CASE STUDY

Kruse Village Retirement Community  
Brenham, TX

### Challenge

A large human services organization based in the South made the decision to step away as a senior care and services provider and divest its senior care properties. A 248-unit/bed continuing care community was excluded from the divestiture as the

organization contemplated interventions that could assist in improving the operational performance, thereby increasing the valuation of the operation and subsequent sales price at a future date.

### Solution

HDG was contracted to provide operational and clinical oversight of the campus and to provide interim leadership with a new executive director and director of nursing services. HDG completed a comprehensive operational assessment, which indicated that the operations were vulnerable in several areas, including regulatory compliance, clinical reimbursement, occupancy, payor mix, and revenue cycle.

HDG's role was expanded to directly oversee all insurance billing and collections activities, and to provide extensive consulting services directed toward stabilizing the Resident Assessment Instrument (RAI) processes. HDG was also contracted to develop an operating budget for the campus, which involved making adjustments to the operating scenario; and finding areas in which to optimize revenue and reduce overall operating expenses.

### Result

The campus underwent its annual inspection within HDG's first three weeks of oversight. During that time, HDG's consultants were able to implement corrective measures which resulted in survey outcomes of just six low-level citations—fewer than the state's average. Over a period of six months, HDG made significant strides in improving the financial and nonfinancial aspects of the operation, including a 25 percent increase in the Skilled nursing facility's occupancy and a three-fold increase in Medicare/managed care payor mix. HDG also made substantial improvements in the accuracy and timeliness of the completion and submission of minimum data set (MDS) records.

HDG was a trusted advisor and operating partner resulting in significant operational and financial improvements. Following the operational turnaround completed by HDG, the owner took the campus to market and sold the real property to a real estate investment trust (REIT), which, in turn, entered into a long-term lease of the campus to an HDG-affiliated organization, with HDG continuing to provide management and oversight. One year later, under HDG management, the campus had zero citation surveys in both the skilled nursing and assisted living services.