



CLIENT:

National network of retirement communities, senior living and skilled nursing facilities, hospice and home health agencies, and rehab facilities.

NUMBER OF LOCATIONS:

Several hundred

BUSINESS NEEDS:

- Analysis of current agency performance and market potential
- Market planning for national expansion
- Model for more holistic, strategic planning and cap ex across all business lines

Senior Living on a National Scale

Using household-level data for expansion planning and marketing that delivers huge efficiencies of scale.

HERE'S THE SITUATION

A national senior living facilities and services network approached Buxton with a specific set of business questions: Which of our hospice centers are meeting appropriate performance benchmarks, which are underperforming, and which markets represent our best potential for national expansion?

We analyzed our client's hospice patient and encounter data, and referral patterns, as well as our own proprietary data points, for a unique, household-level analysis market by market. The initial result was a model for hospice that explained relative performance and offered recommendations for which agencies should be given additional capital support and where opportunities for growth were evident. This model allowed our client to bring true science to decision-making around facility placement and deepen their understanding of market opportunity.

The success of this engagement led our client to contract us the next year to help with one of its sister companies, a group that manages various types of specialty rehab units. The client asked us to apply the learnings and processes from our pilot engagement to help this team learn where it had the most potential to build out successful rehab units in the near future.

Also happy with the results of the second project, the client engaged us again for its home healthcare division. We analyzed patient data, built models and delivered solutions.

HERE'S WHERE IT WENT FROM THERE

Using our initial hospice agency model as a foundation — and then performing additional analysis of our client's rehab centers and home healthcare agencies — we were able to help the senior operational finance team more deeply understand the interrelationships between their business lines. Our rehab facility analysis, for instance, factored in proximity to the client's operating units in other program lines,

including existing skilled nursing and senior living facilities. Within rehab, it also focused attention on the referral potential among several of the client's specialty program lines. Finally, our analysis factored in localized, legislative-based factors, including the regulatory environment and Certificate of Need requirements that can make it favorable or unfavorable to operate or acquire a license to open a new facility.

CHECK OUT THESE RESULTS

For the first time, our client's related but disparate business lines gained a more singular strategic focus. With holistic, nationwide-level analytics models in hand — models customized for their unique, localized patient behavior — our client could strategically attack new and existing markets, as well as allocate capital expenditures to optimize business results. We continued to work with the client to refine and customize our models, even using one to explore a new concept: a health and wellness center for seniors.

Our demographic and patient segmentation was particularly eye-opening for our client, as it proved that not every person over age 65 in their markets was a viable prospect. Similarly, our client was shocked to discover their assumptions about competitive threats weren't always borne out by the data, which quantified the impact of competitors in each market.

Currently the client is using insights from all these analyses to build a roadmap for strategic planning opportunities in terms of future growth and development. Our client is beginning to centralize planning efforts while bundling services offered in specific markets, achieving greater efficiencies of scale across its national network.

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