

Non-care related Fee for Service in Senior Living | **What you need to know**

There's a challenge

Operators of senior living communities have come to recognize **Service Creep**, the silent killer of budgets as a real challenge. As years go by more and more services are provided to residents without an associated bump in revenue – all with the best intentions in terms of resident service but there will come a point when it creates unwelcome circumstances. Being able to offer these services is a key differentiator so tracking and proper billing is key. But to date it's been time consuming.

There is an answer

15 + 750 + 170K = Success

With 15 years of experience and working with over 750 senior living operators managing over 170,000 resident units we've found that there is a path to successfully being able to differentiate your community by offering additional services while at the same time billing for said services and increasing top line revenue. To start there are **three key steps** to consider:

1 Self-assessment – what is the status quo in terms of billing?

2 Sustainability review – what is the trend in services?

3 Current system review – how are billable items tracked?

In at least **75%** of cases we've seen opportunities to:

- Bill for services already being provided that are beyond the scope of residency agreements.
- Improve the billing tracking to eliminate the billing ops that slip through the cracks.
- Better communicate the services provided to both residents and staff.

Suggested Best Practices:

For those addressing fee for service on the operations side (*maintenance, housekeeping, transportation, etc.*) there are a number of best practices we've found useful:

- Review residency agreements and streamline (if possible) - communities with 1 standard agreement have a much easier road vs. those with 15 or more different standards.
- Ensure agreements are crystal clear regarding pricing for additional services. Include a list of pricing, hourly fees, etc.
- Set expectations with each resident on move-in via one-on-one department head meetings. Sitting down with new residents and explaining what's included and what's not will make your job much easier down the road.
- Include staff in determining and rolling out any program for residents. Make sure all team members understand what will be billed for and how the process will work.
- Monitor for trends! Keep track of the types of work that is being requested.
- Remain consistent with pricing and services across work and residents. They talk!
- Investigate programs like **TheWorxHub** that provide one click tracking for billings and simple exports to accounting (without this the admin time may kill your initiative).



Benefits:

- ✗ **Competitive differentiation:** offer more services without having to raise monthly rent.
- ✗ **Risk reduction:** eliminate the risk associated with use of outside vendors by residents.
- ✗ **Increase revenue:** get paid for all of the services you provide.