St. Camillus Hospice Business Plan

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Executive Summary

Hospice care offers solace, reassurance, and overall well-being to individuals and their families in the last days, weeks, or months of life (Sherman, 2000). Recognizing the challenges faced by patients and their loved ones during this period, St. Camillus Hospice is dedicated to offering compassionate care, allowing the patient and family to focus on connection during this period. St. Camillus Hospice is well-known as a leader in innovation and quality care and a great workplace in North Dakota. The mission of St. Camillus is to meet individuals where they are and empower them to achieve their best quality of life. St. Camillus seeks to deliver quality care in the most comfortable location for the patients. The purpose of this business plan is to outline the urgency of opening a new location to accommodate the community's growing needs.

The business concept for the proposal articulated the rationale for establishing a new branch in Bismarck, North Dakota. Additionally, the business concept delineated the services the new location will offer, assessed the current hospice landscape in North Dakota, underlined the significance of expanding into Bismarck, and aligned the entire proposal with the organization's mission statement. The market analysis described the current hospice market, outlined a competitive analysis, described the impact of other organizations as they relate to the business plan, compared other options, outlined a timetable for execution, and explained why this option is the best compared to others. The operation plan considered potential structural and access issues, described the number and type of staff needs, training needs, job descriptions, pay structures, and schedules for the staff, and discussed the equipment needs and legal considerations such as permits and regulation requirements. The financial plans reviewed the budget estimates and the pro forma documents. The business concept, market analysis,

operational strategy, and financial plans create a strong case for addressing the geographical gap in hospice care around Bismarck, North Dakota.

Business Concept

According to Meier (2011), hospice services help to decrease healthcare spending for the country's sickest patients, thereby decreasing overall costs. While the number of hospice patients in the U.S. is growing, there is very limited access to hospice facilities in North Dakota and specifically, Bismarck (Health and Human Services, 2024). Between 2019 and 2022, there was a 6.8% increase in Medicare hospice patients (NHPCO, 2022). This marks the largest increase to date.

Sadly, many individuals spend the last days of their lives without the comforts of hospice care because the number of individuals who qualify for hospice has outpaced the resources and facilities available to them (NHPCO, 2023). This is specifically an issue in North Dakota. The National Hospice and Palliative Care Organization Facts and Figures 2020 Edition reported that only 31% of Medicare recipients were enrolled in hospice at the time of their death in 2018 (Appendix A). This places North Dakota very low compared to the top state (Utah) which had 60.5% of its Medicare recipients enrolled in hospice at the time of their death (NHPCO, 2022). These facts stress the need for more hospice facilities in North Dakota. This business plan proposes that St. Camillus open a new hospice location in Bismarck, North Dakota.

Like other St. Camillus Hospice locations, the new location in Bismarck, North Dakota, will provide individuals enrolled in hospice care with a team of professionals selected based on the unique needs of the patient and their families. This team will consist of a medical director, hospice aides, registered nurses, social workers, chaplains, trained volunteers, therapists, and

more. St. Camillus guarantees that the patient is never alone in their end-of-life journey by providing on-call nurses 24 hours a day, seven days a week.

Burleigh County, where Bismarck is located, is the second most populated county in North Dakota with limited hospice access (America Counts Staff, 2021). Considering the aging population and the current status of hospice care in North Dakota, the need for St. Camillus Hospice to expand into Bismarck is clear. Adding another facility in Bismarck would benefit both the community and contribute to the financial success of St. Camillus. St. Camillus already has a proven track record of providing affordable high-quality care. This business plan gauges the expected profits and losses for the new proposed location using records attained from existing locations with similar demographics. St. Camillus' mission is to meet individuals where they are and empower them to achieve their best quality of life. The company seeks to deliver quality care in the most comfortable location for the patient. To serve the Bismarck, North Dakota community while holding to the mission statement, St. Camillus Hospice must add a location in Bismarck, North Dakota.

Market Analysis

According to a 2022 survey from the United States Census Bureau, Bismarck, ND boasts a population of just under 75,000 people. The population is showing a steady incline, having grown from approximately 61,000 people in 2010 (United States Census Bureau, 2023). With that growing population comes a growing need for healthcare services, specifically hospice care. Within that population, 18.5% fall under the 65 and older category and 8.8% of those 65 and under that are disabled. If you consider the aging population, those who are chronically ill, and those with terminal illness, there is a growing need for hospice care.

Within the United States, the number of hospice programs and utilization of hospice services within the last decade have grown exponentially. An estimated 1.4 million people received hospice care in 2016, with 50% of those being cared for within their homes and 42% of those being cared for in a nursing home or long-term care setting (Bhatnagar & Lagnese, 2024). As the baby boomer generation ages, the need for increased healthcare services, including hospice, grows. In the Bismarck community, there are currently five hospice services available, with one specializing in children's hospice needs (FindHelp, 2024). Each hospice organization offers its own unique set of skills and services. What makes St. Camillus Hospice superior to other hospices is the location, which will be located within the existing Mission long-term care facility within Bismarck. Mission and St. Camillus have a pre-existing relationship in various locations and in other cities. Due to having similar values and missions, the two organizations have enjoyed this partnership in the past, making another joint venture a no-brainer. St. Camillus Hospice will have the office space located within the facility, as well as be the 'preferred partner' for hospice referrals from the facility. This partnership guarantees a steady client base with little to no advertisement needed and allows current residents of the long-term facility to remain in their known environment. The partnership also allows for shared employees, as the facility's nurse's aides and nurses will be always available to the patients, as well as the hospice nurse managers and hospice aides and medical director. Being a 'preferred partner' of the long-term care facility will build trust between Mission and St. Camillus Hospice staff and ultimately lead to better patient care, as the familiarity and care already provided by the facility mesh with the hospice expertise of St. Camillus.

St. Camillus hospice will also provide care outside of the long-term care facility within the Bismarck area. The overall timetable for getting the new hospice branch up and running is

between six and 12 months. Developing an efficient and effective system for delivering services to patients within the long-term facility will prepare the staff for branching out into the public.

Operational Plan

Structure/Facilities

The main office of St. Camillus Hospice will be in the existing building of the Mission long-term care facility in Bismarck, North Dakota. Mission serves elderly individuals with chronic medical conditions, physical disabilities, cognitive impairments, or individuals no longer able to safely live independently. This strategic placement allows St. Camillus Hospice to be the preferred hospice resource for residents of Mission due to its immediate proximity. This also relieves St. Camillus of the responsibility of maintaining any structural upkeep to the Mission facility. There are currently no anticipated structural or access issues to the Mission facility. St. Camillus offers a favorable environment for hospice care and provides seamless collaboration with existing services provided at Mission.

Human Resources

St. Camillus will employ skilled and compassionate individuals, including registered nurses, chaplains, social workers, administrative roles, and holistic therapists. Two registered nurses are used to give pain relief, symptom management, and emotional support care to terminally ill patients. The nurses work 80 hours per pay period. Two RN Case Managers are used to coordinate with interdisciplinary teams and families to provide personalized care plans to ensure the comprehensive care of our patients. The RN case managers work 64 hours per pay period. Administrative roles include a regional manager, a clinical team assistant, a sales nurse navigator, and an account executive. The regional manager ensures compassionate delivery of end-of-life care, compliance with regulatory standards, and effective resource allocation. The

clinical team assistant provides vital administrative support to facilitate smooth patient care by managing staff schedules and maintaining accurate medical records. The sales nurse navigator serves as a resource to families and patients by explaining available services and advocating for services that ensure individualized care plans meet all the patients end-of-life needs. The account executive helps maintain relationships with healthcare providers, community organizations, and referral sources and negotiate contracts to drive growth in sales. Each member of the administrative team works 80 hours per pay period. One social worker is staffed to assist patients and their families by connecting them with community resources and support services that help navigate end-of-life decisions. The social worker and works 64 hours per pay period. The chaplain provides spiritual support, guidance, and counseling to patients and their families. The chaplain works 64 hours per pay period.

Equipment

By leveraging collaboration, St. Camillus will reduce financial costs by utilizing the existing equipment, patient rooms, common areas, and medical equipment. Specialized hospice equipment and supplies will be provided further to meet the unique needs of our hospice patients. The electronic health records system used in Mission will help streamline patient information, enhance interdisciplinary communication, and ensure the secure and efficient exchange of medical data.

Legal

A thorough risk management plan will be in place to help identify and address potential challenges. Contingency plans for emergencies, staff training on crisis management, and collaboration with local emergency services will be utilized to keep St. Camillus employees and the patient's they serve safe. A comprehensive quality control system will be implemented to

include regular assessments, staff training, and adherence to best practices in hospice care. Continuous quality improvement initiatives will be undertaken to uphold the highest standards of patient care. St. Camillus will adhere to the following regulations and licensing requirements set by the Community Health Accreditation Partner:

1) A hospice program must have a clearly defined, organized governing body that assumes full legal responsibility for its overall conduct and operation, including quality of care and services.

2) The governing body shall adopt bylaws...

3) There must be an organizational chart, a description of services offered, and channels of authority for responsibility for care provided to patients and their families.

4) There must be policies and procedures for each department or service offered, which must be reviewed annually by the governing body, or appropriate administrative representative.

5) When the hospice has services, including inpatient care, provided for under arrangement, there must be a current written agreement which must be signed and dated by the administrator of the hospice program, and the duly authorized official of the agency providing the service or resource.

6) The governing body shall approve an annual operating budget and capital expenditure plan.

7) The governing body or its appropriate administrative representative shall appoint a member of the hospice program team responsible for coordinating and administrating the

hospice program service plan for patients and families (North Dakota Administrative Code, 1987).

Financial Plans

The rough and detailed financial plans are developed after a business plan is proposed, market analysis is completed, and the operational plan is devised. A rough financial plan is set in relation to the operating budget, and the decision is made to determine if the proposed project warrants further investigation. Rough financial plan results are imprecise with the intent to help guide the progression of the project, tabling it, or dropping the concept altogether passed on cost and potential for revenue. The main idea addressed with the rough financial estimate is whether the concept will result in a profit or a loss or is unclear. In some instances, even if the profitability is dark, the organization may choose to move forward if the proposal is congruent with the mission of the company and serves the greater good.

According to Roussel et al. (2023), the operating budget is an annual plan identifying expected revenues and expenses, both fixed and variable. Four key statements are included in the reporting of financial results and fiscal health of an organization: the statement of financial position, the operating statement, the statement of changes in net assets, and the statement of cash flows (Jones et al., 2023). In many cases, developing an entrepreneurial service or product within an organization is the most risk-free for the nurse entrepreneur, but the complexity of this entrepreneurial approach offsets that.

The proposal for St. Camillus Hospice to open a new branch and expand its geographic footprint is an example of an entrepreneurial activity within an organization. With the current geography, the community lacks options available to provide care to patients and families during their time of need. Lack of competition within the market leaves the current provider little

incentive to provide the highest quality of care to those they serve. As part of this proposal analysis, local community providers have determined a need within the community for additional hospice services to be available. Following the determination to proceed with planning made by the senior leadership team of St. Camillus Hospice, a detailed operations plan can be developed.

The detailed operations plan should consider all direct costs of the project including detailed information on the location, structure, and size required for the project, human resource needs, and equipment and supplies needed to support the project. The detailed financial plan has three critical elements: a break-even analysis (BEA), a cash flow analysis, and the development of a set of pro forma financial statements (Jones et al., 2019). Break-even analysis addresses the minimum volume of patients needed to support the project. Cash flow analysis outlines the amount of cash the project will spend and receive throughout the year. Pro forma financial statements are developed through forecasting and capital budgeting and provide a prediction of the expected financial statements for the project should it move forward. A project proposal that survives to this level will be expected to give a solid pro forma statement of revenues and expenses that conveys the project's anticipated profitability for each future year. Pro forma documents include many items including inflation, regulation, revenues, wage rates, personnel availability, detailed expenses, cash flows, and patient volumes.

St. Camillus Hospice, utilizing market analysis information from local and regional data obtained from current operational practices in addition to local census information, Medicare daily reimbursement rates determined annually by county, and overhead, personnel, and other operating costs, could likely need an average daily census of 13.73 patients for a break-even point (Appendix B). The projected level of growth is realistic given the details identified in the market analysis, leaving the proposed project profitable after eight months in operation.

Conclusion

The feasibility of establishing a new St. Camillus Hospice location in Bismarck, North Dakota is strongly supported by the comprehensive business plan presented. The business concept, market analysis, operational plan, and financial considerations highlight the urgent demand for increased hospice services in a region currently underserved. With a growing population and an aging demographic, Bismarck is poised to benefit from St. Camillus Hospice's expansion, providing compassionate end-of-life care to individuals and families in the community. The recommendation to locate this expansion in Mission long-term care facility is strategic. Adding on-site hospice care at Mission would ensure a steady client base for St. Camillus as well as address the current gap for end-of-life patients. The operational plan demonstrates careful consideration of structure, human resources, equipment, and legal compliance. The financial plans, including break-even analysis and pro forma statements, highlight the viability and profitability of the expansion. The mission statement of St. Camillus Hospice is to meet individuals where they are and empower them to achieve their best quality of life. In order serve the needs of the community and meet an individual where they are at, it is not only feasible, but essential for St. Camillus to add a new location in Bismarck, North Dakota.

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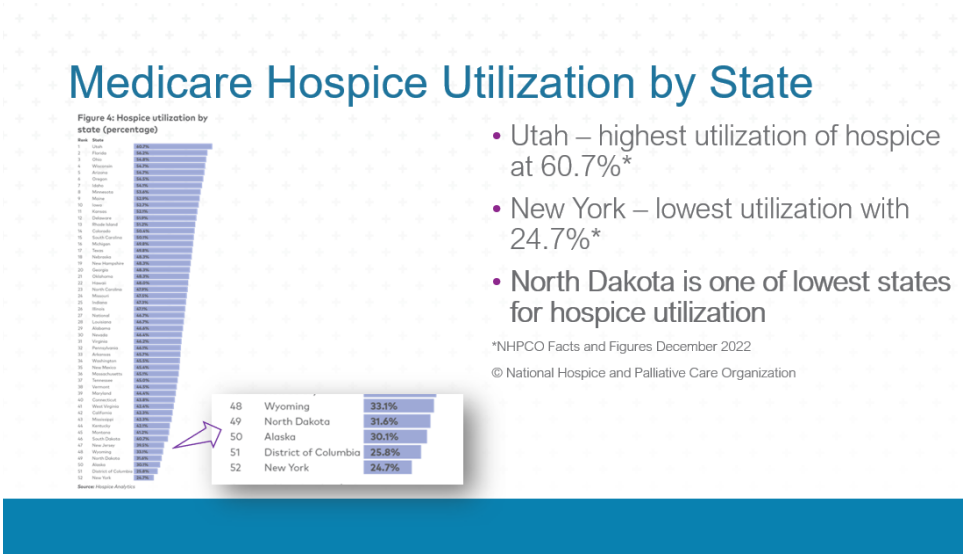
Appendices

Appendix A



Appendix B

	Month 1	Month 4	Month 8	Month 12
Nursing Expenses	$9,530	$9,530	$12,523	$12,523
Ancillary Expenses	$907	$3,483	$7,517	$11,343
Other Care Related Expenses	$4,211	$4,542	$4,984	$5,385
Supportive Salaries	$2,723	$2,723	$4,356	$4,356
Other Supportive Fees	$788	$788	$788	$788
Plant Expenses	$225	$225	$225	$225
Property Expenses	$750	$750	$750	$750
Depreciation	$1,192	$1,192	$1,192	$1,192
Marketing Cost	$7,667	$7,667	$7,667	$7,667
Sales Costs	$5,994	$5,994	$5,994	$5,994
General/Admin Expenses	$14,361	$12,263	$14,523	$15,716
Management Expenses	$-	$1,919	$4,081	$6,049
Employee Benefits	$6,315	$6,489	$7,506	$7,506
Total Expenses	$44,933	$63,703	$79,445	$88,033
Total Revenues	$5,946	$38,373	$81,621	$120,981
Total Projected ADC	1	6.45	13.73	21.00
Operating Income	($44,933)	($25,325)	$2,176	$32,948
Profit Manager	0%	-65.99$	2.67$	27.23%