

Company Town Hall

October 10, 2023



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Today's Agenda

Agenda Topic	Speaker	Time
Opening Comments & Performance Update	Chuck Bodner	7 minutes
Division Recognition	DVPs	5 minutes
Revenue Cycle Process Changes	Mike Peters	10 minutes
Employee Total Rewards Update	HR Team	5 minutes
Employee Culture Survey Results	HR Team	5 minutes
IT Security & Phishing	Shayn Spingler	3 minutes
Q&A	All	10 minutes
Closing Comments	Chuck Bodner	



Company Performance Update



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YTD September Performance is In-Line with Budget despite ongoing Revenue Cycle challenges. Its time to focus on Q4 !!!

● Revenue

+0.04% vs Bud & +6.4% vs PY

● Margin %

On budget & -30bps vs PY

● AEBITDA

On Budget thru 9 months

Q4 will be negatively impacted by Higher Labor for Revenue Cycle Team

● Orders

Q4 Avg 107% of Need

● Approvals

Trending to 100%

● Backlog

Up 17% vs PY

- **Great Job for first 9 months! (despite all the challenges.. THANK YOU!!)**
- **Orders are Strong, Our Clients are counting on Us**
- **Opportunity to deliver another strong Q4**
- **While we are making progress in our Revenue Cycle, it admittedly does not feel any better**
- **Stay positive and keep the customer at the forefront of everything you do**



Division Recognition

• North Division

- The North Division achieved 104% to budgeted September expectation and is 103% YTD for revenue expectation.
- September was a record month in Submissions with multiple weeks of all time highs in dollars and number count.
- The North Division payer deferrals hit the lowest in 6 months with 12.5% and new equipment orders are up 22% compared to the same time last year.

• South Division

- The South Division achieved 100% to budgeted September expectation and is at 105% EBITDA.
- YTD the South Division's regional best is the Mid-Atlantic (CAT-5/4 Best: Houston, CAT-3 Best: Norfolk & CAT ½ Best: Texarkana - #1 in the country)
- The South Division has a high Press Ganey score of 87.6 and TCT of 99.

• West Division

- The West Division achieved 103.9% to expectation for September.
- The Southwest region led all regions at 116% YTD, followed by the South Pacific region at 107% and Pacific Northwest region at 106%.
- The West Division is excited to have a full funding leadership team and a HUGE thanks to the CSS and Technical Services teams – your work is SO appreciate!

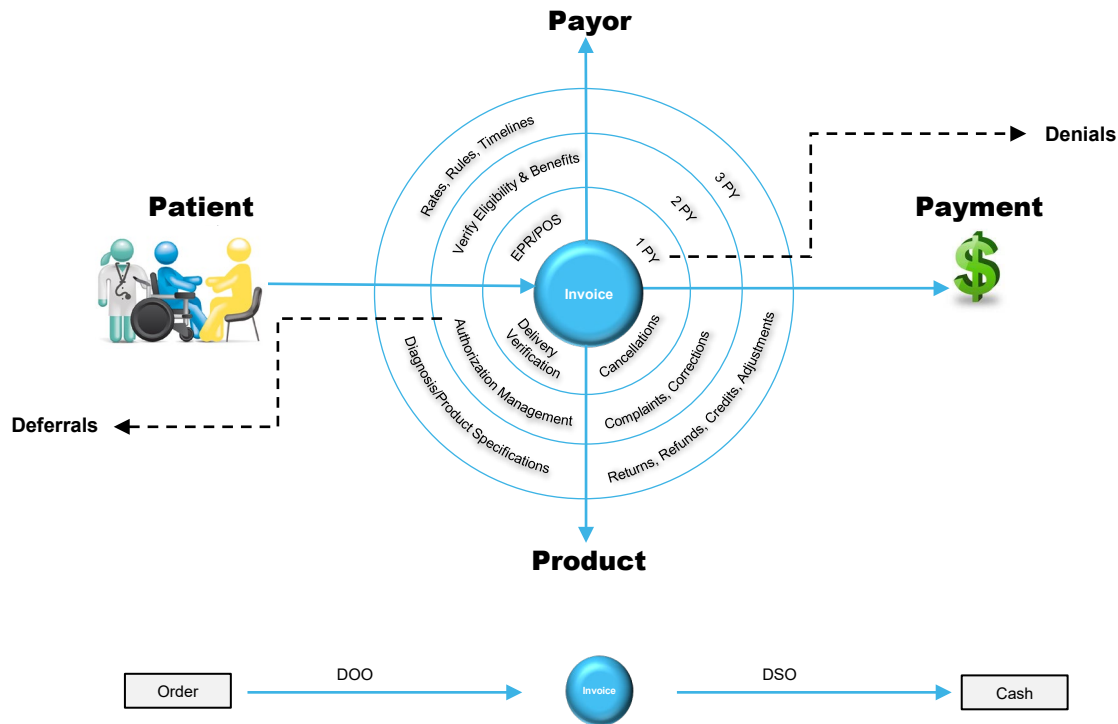


Revenue Cycle Process Changes Update



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There is opportunity to simplify and drive focused action to improve results and reduce cost in end-to-end RCM at NSM by focusing on the 4 P's



What have we been doing?

- **Staffing:**

- Hired 16 Funding Specialists completed training 10/9 and moving into Division assignments
- 10 Funding Specialist 1's hired and completing training 10/13
- Hired 3 Funding Supervisors

- **Coding & Pricing & PPQA:**

- 112 NSM Funding Specialists handling Coding & Pricing now. Targeting October 16th for full rollout
- PPQA rollout begins next week

- **Aligned on Q4 Playbook**



Where are we focused?

- India visit to meet with AGS the week of October 9.
- Evaluating where we can reduce hand offs and improve communication to reduce errors and improve cycle time throughout the claim life cycle
- Accelerating updates to the UPD.
 - Over 250 updates have been made in the past month.
 - Critical resource for all who touch a claim and important it is accurate and up to date
- Deep dive and focus on Deferrals and Denials to reduce as well as ensure we are addressing correctly and on time



Transition continues and 4th Quarter is here!

- **October:**

- Complete transition for Coding & Pricing over next two weeks
- Begin PPQA and DV transition
- Continued focus to drive down Deferrals and Denials
- Roll out funding progress scorecard and ATP case connects

- **Next Steps Ask:**

- **Please take the time to meet with your new funding specialists and help them help you by:**
 - Ensuring they know your priority orders, pertinent schedule details and how best to collectively win
 - Synch on timelines for open doc requests, MIRs if needed action from you



Employee Total Rewards Update



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Open Enrollment Announcements & Reminders



HSA Increase!!!
NSM will match up to **\$550!!!**



Premium increase of about **\$2**
per check on BCBS HDHP Plans



NSM has **doubled** company
paid life, from \$20k to **\$40k**



True open enrollment for life & disability.
Guarantee Issue for life = \$200k



No medical paperwork required
to enroll in short term disability!

Triple-Tax Advantage of HSAs

1. Tax-deductible contributions
2. Tax-deferred growth
3. Tax-free distributions
if used for qualified medical expenses



**BlueCross.
BlueShield.**

VOYA



Open Enrollment Announcements & Reminders



*EMB: Explain My Benefits
NSM's new benefits enrollment partner.



September Employee Culture Survey Results



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Summary

53%

Response
Rate
(Jan 50%,
May 60%)

4

Overall
Satisfaction
Score
(January:
4.1, May: 3.9)

B & C and
Funding had
most
improved
Overall
Scores

Top Rated:

- **Work is Meaningful:** 94% (84% in January)
 - **NSM is seen as an ethical organization:** 82% (72% in January)
 - **Plan to be working at NSM a year from now:** 81%
-

Lowest Rated:

- **Making right decisions for NSM:** 52% (up from 42% in May)

Action Taken:

- Regroup on AGS Health Transition
- Transparency – Commitment to Town Hall/Divisional Meetings
- Advisory Groups across the business

- **Informed of changes directly impacting my role:** 65% (no change)
- **Internal communications are helpful:** 69% (up from 66% in May)

Action Taken:

- New streamlined communications



Key Opportunities From Written Responses

AGS Transition: Needs faster improvement

- Team has been re-staffed & ramping up
- Branches should be feeling relief within the next 60 days

Staffing: Challenge in selected markets

- 65 Openings
- Over 450 employees hired through September

Competitive Total Rewards Programs

- Moving to a new provider with deeper discounts; Successful outcome on employee premiums
- Doubled Life Insurance Coverage; Guarantee Issue for Life/Disability programs
- Additional Company Holiday (Day After Thanksgiving)
- Continued wage surveys to ensure pay is competitive in our markets

Culture of Listening

- Continue to share your ideas/feedback
- Next pulse survey will be in January 2024



August and September turnover showed substantial improvement – our workforce is stabilizing



IT Security & Phishing



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PHISHING

- ❖ 90% of all cyber attacks start with Phishing emails.
- ❖ Check for suspicious sender URL's/Domains.
- ❖ Hover over links to check the URL.
- ❖ If you don't know the sender or did not expect the request, Hesitate to click.
- ❖ Report Phishing in the Report Message button in the top ribbon of the message.
- ❖ Mistakes happen – if you click, please contact the IT Security Dept ASAP.

**** Complete your Phishing training in NSM University**



SECURITY

- ❖ Use the Microsoft Authenticator app for Multi-Factor Authentication (MFA).
- ❖ Complete Mobile Device Operation System Updates.
- ❖ Don't save passwords in a Word Document – Use LastPass
- ❖ Company wide Password Reset (coming soon)

**** MORE to come...**



LET'S GET *moving*

