ABA BUSINESS SUPPORT

UNLOCK VALUE AND IMPROVE PATIENT OUTCOMES

WP&C | Wilson Perumal & Company

WP&C is the leading strategy consulting firm delivering growth and profitability to PE-owned ABA providers

RECENT RESULTS

41% ↑
ORGANIC EBIT

80%
CLINICAL FULFILLMENT

5
ACQUISITIONS INTEGRATED

1
SINGLE CULTURE ALIGNED WITH COMPANY VALUES

HOW WE CREATE VALUE FOR ABA FIRMS

1 **Organic, Profitable Growth**
- Fix operational bottlenecks to deliver more hours
- Improve profitability

2 **Inorganic Growth**
- Operational due diligence
- Post-merger integration

7 KEY ABA FOCUS AREAS TO DRIVE GROWTH AND PROFITABILITY

PATIENT INTAKE • THERAPY SETTINGS • RECRUITING • TRAINING • SCHEDULING • CLINICAL DELIVERY • ACQUISITION INTEGRATION

SELECT PE CLIENTS

Blue Mountain CAPITAL MANAGEMENT LLC
THE JORDAN COMPANY
WICKS
ANCHORAGE CAPITAL GROUP
NMC NEW MOUNTAIN CAPITAL LLC
Centerbridge
CENTURY PARK CAPITAL PARTNERS

"You guys are a huge part of our growth story."
— SVP Corporate Development, ABA Provider

"WP&C is helping us transform our business. Their insights are phenomenal!"
— President, Leading CPG Firm

7 key ABA areas to drive growth, profitability, and patient outcomes

	ABA FOCUS AREAS	OPPORTUNITY INDICATORS	EXPECTED OUTCOMES
MORE THERAPISTS	**RECRUITING**	Long client waitlists, high therapist turnover, low recruiter productivity	**Sufficient therapists to meet client demand**
	TRAINING & ONBOARDING	Long time from therapist hired to delivered hours	**Quickly engaged therapists equipped to deliver care**
BETTER, MORE EFFICIENT CARE	**MATCHING & SCHEDULING**	Weekly scramble to create schedules, low matcher productivity	**Efficient client-therapist matching to deliver available hours**
	CLINICAL OPERATIONS	High cancellation rate, high turnover, improper BCBA caseloads, paper-based client records	**Better engagement with clients & clinical outcomes; efficient org design, metrics, and processes**
MORE CLIENTS	**CLIENT INTAKE**	Long time from inquiry to kick-off, low reimbursement rates	**Faster screening and onboarding of qualified clients**
	THERAPY SETTINGS	Only 1 setting, centers at capacity, weekly center coverage scramble, applying one-size fits all approach	**Right mix of home, center, school, community, & telehealth; view of standards & req's by archetype**
	ACQUISITION INTEGRATION	Unrealized savings, burnt-out functional leaders, no visibility	**Acquisition growth, operational continuity, and synergy realization**

We assess, prioritize and deploy to quickly unlock value in your business

OUR PROCESS

1 ASSESS
Identify the largest issues and how to address them via a hypothesis-based, comprehensive assessment

2 PRIORITIZE
Focus on quick wins and long-term growth opportunities, factoring in value, speed-to-value, and effort

3 DEPLOY
As change management experts, work with clients to improve processes, tools, org, metrics, and culture as needed

ILLUSTRATIVE OPPORTUNITY PRIORITIZATION

Fixing recruiting and training are key to unlocking growth

	ABA LEVERS:	SIZE OF PRIZE		SPEED TO BENEFIT	EFFORT
		Revenue Boost	Cost Reduction		
Near Term	Recruiting	● (high)	◔	Faster	Medium
	Training & Onboarding	◔	◔	Faster	Low
	Matching & Scheduling	◔	◔	Faster	Medium
	Client Intake	◔	◑	Faster	Medium
Medium Term	Clinical Operations	○	◑	Slower	High
	Therapy Settings	◔	◔	Slower	Medium
	Acquisition Integration	◔	◑	Slower	Medium

Notes: ● = high   ○ = low

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KEY NEAR-TERM, REVENUE-BOOSTING OPPORTUNITIES

Wilson Perumal & Company, Inc.

Increased EBIT by 41% and clinical fulfillment to 80%

We helped a PE-owned ABA provider experiencing over-demand for its services grow revenue, EBIT, and "clinical fulfillment" by fixing its recruiting, scheduling, and clinical operations

CHALLENGE

An ABA therapy provider was only delivering 54% of authorized therapy hours **(54% clinical fulfillment)**. Processes grew organically without a focus on goals, efficiency, technology, or metrics management; internal view was the tools (e.g., matching software) were inadequate

ACTIONS

MAIN ISSUE: insufficient therapist 'supply' caused by poor recruiting process & use of tech/tools

QUICK WIN: recruiting changes were implemented during the diagnostic & showed results within weeks

RECRUITING — Redesigned recruiting process, software usage, and metrics to **increase therapist 'supply'**

SCHEDULING — Reconfigured therapist-patient matching/scheduling process, software, and metrics to **improve utilization**

CLINICAL — Built shared culture and metrics management to **decrease cancellations and attrition and increase visibility**

CLIENT BILLING LIFE CYCLE

Average Authorized Hours per Week = XX.XX

Billed Hours / Week

More... BT Supply

Faster... Hiring, Onboarding, Matching

Filled Hours

Better... Attrition, Cancellations, Scheduling, Ramp down

Weeks
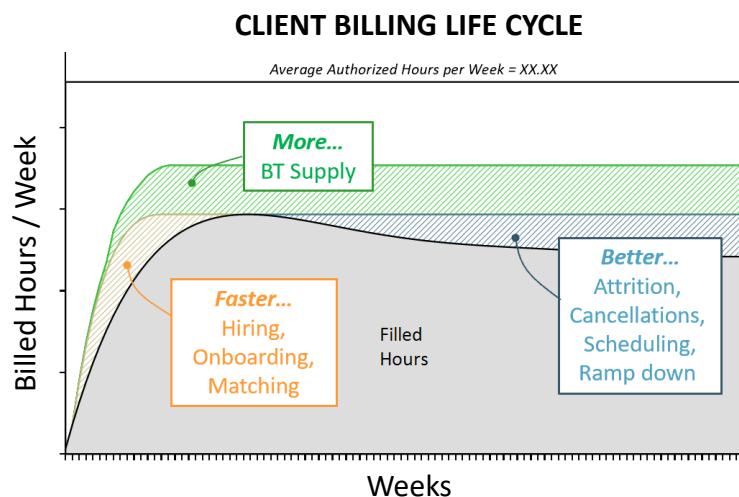
IMPACT

	Short term (<4 mo.)	Long-term (4-6 mo.)
Clinical Fulfillment	Increased to ~70%	**Increased to ~80%**
EBIT	24% lift	**41% lift**

Integrated 5 ABA companies ahead of successful sale

We helped a PE-owned ABA provider integrate 5 tuck-in acquisitions by serving as integration lead, setting up a Project Management Office, and creating a PMI playbook

| **CHALLENGE**	A PE-owned provider of ABA therapy **struggled to integrate and grow acquisitions,** realize synergies, and keep functional leaders focused; integrations that were expected to take a few months **had not progressed after 1 year**; lack of PMI responsibility, visibility, and direction was causing **burnout among functional leaders**

ACTIONS	**ACQUISITION INTEGRATION**	• Served as **integration lead:** standardized processes, tool use (CentralReach) and metrics, and centralized back-office functions • Led **Project Management Office,** ensuring operational continuity and providing clear integration visibility • Authored **PMI playbook** and assigned PMO lead for a **smooth capability transition**

IMPACT

- **20-40% improvement** in clinical fulfillment, revenue, and EBIT at acquisitions
- **Integration** of 2 previous acquisitions and 3 new ones
- Successful **sale of integrated company at higher multiple** than bought for
- **Integration capability transfer for future** acquisitions

CLINICAL FULFILLMENT GROWTH FROM INTEGRATION

Bar chart: Clinical Fulfillment (y-axis 0%–80%) by Acquisition (x-axis 1–5), comparing Before and After.
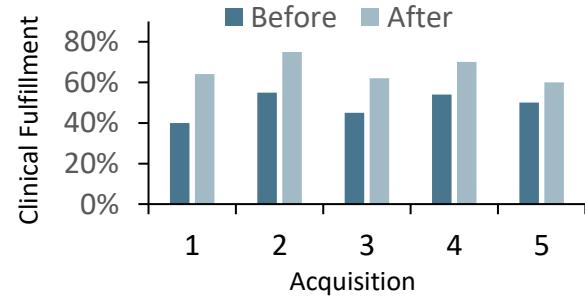
Set unprofitable ABA start-up on path to profitability

We helped an ABA start-up with a unique model understand the impact payor variety had on margins and made recommendations to profitably scale their operating model

CHALLENGE

A client providing ABA therapy created a unique, team-driven model to deliver services, but struggled to achieve profitability; services were in demand and backlog continued to grow exponentially, but their model **ramped-up care teams slowly and failed to account for the impact payor variety had on margins**

ACTIONS

KEY INSIGHT: Payor 2 would never be profitable with current team model

CLIENT INTAKE

TRAINING & ONBOARDING

- Calculated **Time to Profitability** by analyzing **margins by payor and client type**
- Quantified overhead and incremental costs to serve to understand **true cost of service offerings**
- Modeled financial implications of 'team' driven operating model highlighting **a minimum 8-month lag to capture potential revenue**

Team Gross Margin During Year 1 of Service

8-month team ramp-up to capture full margins with Payor 1

Payor 1

With lower billable hours, Payor 2 will never be profitable with this team model

Payor 2

Gross Margin ($k): $30, $25, $20, $15, $10, $5, $-, $(5), $(10)

Month: 1 2 3 4 5 6 7 8 9 10 11 12
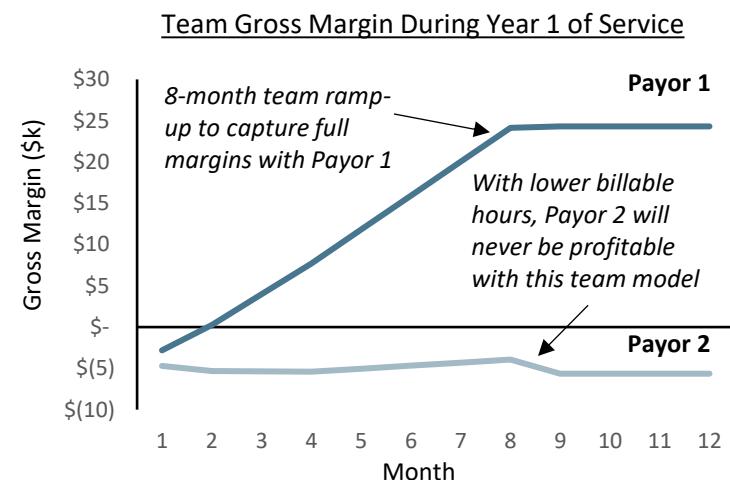
IMPACT

Once we understood the operating model, we created a plan to **capture profitable growth** by:

- **Improving training and onboarding processes** to address backlog and ramp-up teams to deliver care more quickly (reduce the 8-month ramp-up time) and increase direct hours/therapist (reduce overhead)
- **Better identifying profitable customers** earlier i.e., filter the backlog and redefine payor requirements

We help ABA clients in two ways: driving organic, profitable and enabling inorganic growth

1. ORGANIC, PROFITABLE GROWTH *(LEVERS 1-6)*

SET THE RIGHT FOUNDATIONS, SCALE THE BUSINESS

- **Assess growth**, profitability, and client outcome issues and opportunities
- **Prioritize levers** by value and speed-to-value across recruiting, training, matching, clinical delivery, client intake, and settings
- **Deploy levers**, fixing bottlenecks with the right:

ORG	PROCESSES

TOOLS	MGMT & METRICS	CULTURE

- **Project timing**: ~4+ week assessment + ~4+ week execution

TYPICAL RESULTS

- **~70 - 80% Clinical Fulfillment**
- **20-40%↑ revenue, EBIT**, and delivered hours
- **Better client outcomes**

2. INORGANIC GROWTH *(LEVER 7)*

ACQUIRE AND INTEGRATE

- **Operational Due-Diligence**
- **PMI Lead**
  - Process and tools standardization
  - Centralization vs. localization
  - Synergy realization
- **Program Management Office**
- **PMI playbook** development
- **Project timing**: ~10+ weeks of design and execution

PMI PLAYBOOK

TYPICAL RESULTS

- Clear, pre-acquisition **view of improvement areas**
- Integrated roll-up acquisitions and **25-50% growth**
- **PMI internal capability**

CONTACT US

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RESOURCES

Operational Due-Diligence
Operating Model Redesign
Growth Strategy
Culture Measurement and Change