



**JON ROUSSEAU**  
 PRESIDENT AND CHIEF EXECUTIVE OFFICER  
 BRIGHTSPRING HEALTH SERVICES

**250-word synopsis**

In September 2016, Jon Rousseau was named president and chief executive officer of ResCare, Inc., a privately held company with a longstanding history of unique services that serve the most complex and vulnerable populations in the country. For 40+ years, ResCare provided nonclinical support services to people of all ages with complex medical or social needs. Today, the company has rebranded itself as BrightSpring Health Services. Its new name reflects its successful repositioning as a leader in the health care and home health industry, with expanding its services to include not only nonclinical services, but clinical capabilities in a variety of businesses, such as hospice, home health, neurorehabilitation, autism and pharmacy. Over the past two years, the company has made significant investments in its people, culture, process and technology, while accelerating its financial growth executing with a continuous improvement, service excellence and growth-minded strategy.

Rousseau has led a holistic company transformation that includes repositioning the organization for the future of healthcare. Both customer growth and operational excellence initiatives have led to earnings growth of almost 25% in 2018 and 40% over the past two years. The transformation is underpinned by many tangible milestones occurring across field operations and corporate functions – creating a very differentiated and technology enabled platform driving innovation in community health solutions, which improve outcomes and lower costs for complex populations and payer systems.

BrightSpring has been named a “Company of the Year” finalist in its hometown (Louisville, KY), with the award announcement on December 3<sup>rd</sup>, 2018).

**Company Overview**

Size of Company	45,000 employees in 43 states, Canada and Puerto Rico. There is a mix of full- and part-time, spread across the lines of business. 60,000 people are served daily (over 2 million annually). All populations / markets are growing 2%-6% annually, with multiple emerging business areas growing at double digits.
Business Units	Spanning both nonclinical and clinical support services, and technologies: Behavioral Health (including autism services), Home Health Care (including Personal care, Home health, and Hospice), Neuro Therapy, and ancillary Pharmacy and Telecare services, as well as career services and vocational training as a leading job creator in the U.S.
Revenue / Earnings	2015: \$1.63 B / \$113M 2016: \$1.66 B / \$112M 2017: \$1.70 B / \$125M 2018: \$1.92 B / \$155M

**Operational Excellence Strategic Objectives**

BrightSpring Health Services’ vision is to be the leading comprehensive home and community-based health services provider to complex populations in the U.S. The company’s strategic objectives include:

1. Creating the leading operating model in the industry by driving best practices in (i) service delivery quality, (ii) operations management and (iii) community education for growth, through excellence in (iv) people, (v) systems and (vi) management – the LEGACY Leadership and Management System.
2. Growing clinical integrated care and ancillary services by continuing to deepen in clinical services such as hospice, home health, home care, rehabilitation, autism, pharmacy, behavioral health and telecare.
3. Driving innovation and new service models with customers and payers underpinned by unique service models and technology solutions.

BrightSpring operates in some of the biggest markets in the economy – totaling over \$250 billion. These are highly fragmented and competitive markets, defined by challenging labor environments and high service standards. Under the leadership of Rousseau, the company has made significant strides in its goal to become a leader in the health services industry, serving complex populations in home and community settings. The company is pursuing 15%+ annual earnings growth, succeeding by building upon its current community-based platform of services, deepening in areas of strategic relevance in clinical services and continuing to advance its people, culture, processes, and technologies – to be a differentiated preferred provider and partner to payer sources, states and the federal government. To measure success, outcomes are measured in not only financial metrics, but also operational and quality metrics, people metrics, and process / technology metrics. The focus of the organization is on growth and operational excellence, underpinned by critical success factors, and a shared understanding of all employees as to the purpose and goals of the organization. Rousseau has played the central role in the strategy definition and ensuring that its understanding and follow through occurs down through the organization. He is highly a visible leader and champion of the company’s culture and values, and has designed and created new organizational structures, functions, and businesses.

With Rousseau and his solid and experienced leadership team in place, the company's transformation and continuous improvement has successfully executed on the following points of operational excellence under the four pillars:

- Growth in financial performance
- Investment in wages and benefits across the board
- Investments in leadership and people training
- Much improved employee engagement scores
- Investment and growth key positions and functions, including a new executive management team and approximately 150 new managers in the company
- Investments in multiple enterprise technology systems and new digital assets, including BI and websites
- Investments in quality and compliance systems
- Investments in new PMO and Procurement teams driving lean practices / efficiencies (\$25M of savings)
- Investments in an M&A and Integration Management Office to facilitate 15 acquisitions to date
- Improvements in billing and collections
- Expansion of service offerings
- Innovation pilots and programs
- New branding across corporate and each business, and a new corporate headquarters supporting the cultural aims and clear values of the company

Growth drivers responsible for successful strategic execution were focused on the following:

- Focus on top quality people and driving the new "LEGACY" cultural norms and behaviors.
- Investments in new business development (sales and marketing) teams to drive reach and awareness building in communities and amongst payors for contracting for needed services and new referrals / customers.
- Government Relations investments to drive education and advocacy with state and federal decision makers to optimize support for the must-serve populations the company supports.
- Efficiency and lean projects to save money and increase productivity, led by a new Project Management Operations team.
- Strategic acquisitions in areas of interest and future growth with a robust pipeline for additional acquisitions.
- HR and recruiting investments to improve talent and increase hiring to fill positions to deliver more service hours.
- IT investments to improve workflow, drive automation and lay the groundwork for future process efficiencies and savings.
- New executive management and new and improved functional and area managers in the field to drive improved growth focus, operational quality and efficiencies.
- Revamped organizational structures to create streamlined regions in the field and centers of excellence at corporate.

**Operational Excellence: Strategic Rebranding and Repositioning**

ResCare Inc, announced that it re-branded itself as BrightSpring Health Services, the parent company of a family of brands, representing a diversified array of home and community-based businesses.

BrightSpring expanded much further into clinical rehabilitative services for people of all ages and skill levels. Its primary businesses include: behavioral health (including autism services), home health care (including personal care, home health, and hospice), neuro therapy, pharmacy, telecare, and job placement and vocational training services.

Rousseau and his new executive management team's strategy positioned the company, now called BrightSpring Health Services, as a preferred and chosen provider of optimal care, at the right time, in the right environment for the complex populations the company serves. This is a significant shift from the prior company strategy to provide primarily nonclinical services to a limited number of populations.



BrightSpring's 2018 transformation was more than rebranding its name and approach. Under Rousseau's leadership, the company also moved into a brand new leased, state-of-the-art, \$30 million, 140,000 square foot headquarters building.

The new facility's space layout and design features reflect current approaches to flexible work and collaboration in and open and upbeat settings. The new headquarters enables people to work closer together in a much-improved environment, while also reducing wasted cost and expense in its current, antiquated space it had occupied for four decades.

### Operational Excellence: People Impact

BrightSpring has made a significant investment in its employees through focusing on talent, key positions required to innovate and improve and pay rate increases for both salaried and field employees across the organization.

- The executive management team has been dramatically reshaped with a new Chief Executive Officer, Chief Human Resources Officer, Chief Financial Officer, Chief Accounting Officer, Chief Information Officer, Chief Learning Officer, Chief of Revenue Officer, SVP of Government Relations, PMO (Project Management Office) and new Presidents for three of its business lines.
- The company has hired more than 150 new people in important field or corporate managerial positions.
- The company has created new recruiting teams and leaders, which has dramatically increased its ability to find and hire top talent and appropriate numbers of caregivers.
- The company has increased pay by over 5% across the organization on average, which is a large amount in the health care industry, where reimbursement rate increases do not come close to covering these pay increases.
- These investments, totaling approximately \$45 million and the resulting quality and service have been funded by efficiency and growth in clients and patients served.




As an example of BrightSpring’s investment in its culture and people, the company launched new cultural values and core behaviors: **LEGACY (Leadership, Environment, Get Going!, Attitude, Communication, and You! be an example)**. These behavior expectations ensure that the company’s 45,000 employees across 43 states and thousands of locations are always striving for teamwork, quality and operational excellence in everything they do, every day. BrightSpring’s culture encourages integrity (doing what you say you’re going to do) and recognition across all levels of the organization. **Since the inception of LEGACY, over 14,000 employees have been recognized by their peers through the program.** The company has launched two significant internal awards: The Legacy of Care Award celebrates the company’s caregivers. The Summit Award of Excellence is the top honor in the company, given to an employee for extraordinary work or service.

BrightSpring’s “The Way We Lead” cultural program, implemented earlier this year, is another investment in its people. The Way We Lead sets the example and tone for leadership in the company, and most importantly, sets the expectation that “everyone is a leader” in the organization. The program aligns with the LEGACY standards and is the foundation for the shared leadership skills demonstrated across our organization. This program is interwoven into the fabric of everything, from onboarding of new leaders to the development of the talented individuals ready to step into that first leadership role.

BrightSpring has also created a formal approach and process, which focuses on core competencies in the areas below (the “why,” “what” and “how” of work responsibilities). It’s educating and using this proprietary framework in its daily execution:

- Leadership: setting the vision, setting the strategy and setting the culture.
- Operational Excellence: staffing management, client/patient authorizations and service delivery verification, and standardized job duties and centers of excellence.
- Quality: site visits, documentation, skills/protocols.
- Growth: by service lines in existing locations, new geographies, expanded services, promote advocacy and reimbursement of services through state relationship-building, pursue the right partnerships and acquisitions to grow in target areas.
- People: recruiting and hiring right, onboarding and retention, manager/people reviews and skills (training, job guides, audits).
- Management: metrics measurement (reports and reviews), process definition and time management, accountability (action plans and set reviews).

### Operational Excellence: Technology Impact

BrightSpring’s growth through investments in infrastructure and technology is ensuring that the company is positioned as a leader and innovator in its multiple industries, with a differentiated and data driven approach. The company launched its Innovation Center to better drive its strategy to support new service models, workflows and technologies, to not only be a preferred platform for client/patient management solutions today, but also to develop new models of care and payment with states and payers. The following investments have increased its \$40M IT spend by more than \$10M in the past year. The company:

- Is currently deploying three new Electronic Medical Record (EMR) and Workflow systems across different businesses, as well as updating its enterprise Finance, Payroll, HR and Revenue Cycle systems, in the process creating a new Enterprise Resource Planning (ERP) system for the company that will drive quality, efficiency, and data analytics.
- Is investing in infrastructure with new hardware and software systems in its offices and service locations.
- Has rolled out electronic pharmacy management capabilities in all its service locations.

- Is growing its deployment of telemonitoring solutions for inside and outside customers, together with the EMR systems advancing its “Connected Home” model of care.
- Recreated and is relaunching all its digital assets, including websites and social media channels. “REACH” (Resources, Employee Achievements and Company Headlines) is the company’s internal intranet employee community site launched last year with an average of over 140,000 pageviews per month.
- Rolled out Daily Pay technology, allowing any employee to receive their pay each day.
- Rolled out new clock-in/out technology and employee visit verification capabilities for caregivers in the field.
- Custom built an employee communications app called “OUTREACH,” enabling it to reach and communicate with all of its employees across the U.S.
- Deployed new Outlook email and Microsoft 365 systems across the company, as well as employee self-service and employee collaboration technologies.



### **Organic Growth and Growth through Acquisitions**

Given the size of its markets and the breadth of value-added services across the BrightSpring platform, the company has a unique opportunity to continue to acquire synergistic and like-minded businesses. Under Rousseau, BrightSpring has developed an acquisitions team that is best-in-class. The team has led an increased level of strategic acquisitions with a goal to complete 10–15 a year. The company continues to execute on a large pipeline of acquisitions that will further develop the company’s capabilities in clinical businesses, such as hospice, home health, neurorehabilitation, autism and pharmacy.

BrightSpring is also focused on many organic growth opportunities, with examples including:

- Creation of a new sales/business development team and best practices at the beginning of last year to drive advocacy and education for the company’s services in its markets.
- Expansion of the government relations team to increase influence among state and federal stakeholders to improve community access to services and overall community well-being.
- New and increased marketing and public relations resources, platforms and tactics to increase awareness and share the life changing work and stories from its employee base and clients / patients.
- Development of new programs for service and quality differentiation, across population types (such as veterans), disease states (such as Diabetes and CHF), and care management (such as safe transitions to the community).
- Growing services and revenues in current locations.
- Investing in startup sites/clinics, in the areas of outpatient rehab, pediatric autism, hospice, home health and pharmacy.
- Deploying telehealth and conducting pilots of new care models to reduce costs and improve outcomes.

### **Market/Financial Growth**

Below are examples of the sizes and growth rates of the company’s markets served, which total over \$250 billion (excluding behavioral and mental health) and range in growth from 2% to 7%:

- Home care, Home Health and Hospice: \$135 billion growing at 4% - 7%
- I/DD Services: \$70 billion growing at 2% - 3%
- NeuroRehab and Outpatient Therapy Services: \$35 billion growing at 5% - 7%
- Long-Term Care Pharmacy: \$15 billion growing at 3% - 5%
- Telemonitoring/Telecare: \$3 billion growing at 10%+
- Behavioral and Mental Health: a \$130 billion market

Under Rousseau’s leadership, BrightSpring has made significant investments and positioned itself for extremely rapid growth, given the demand in the markets that it serves. The company’s pre-tax earnings (before acquisitions completed this year) have grown by over \$40 million in the past two years, while almost heavily investing in the company’s people and technology. This growth has been achieved through a focus on people quality and engagement, service quality, growth tactics and acquisitions, and a continuous improvement mindset with the tone set by a new PMO team that has driven over \$25 million in efficiencies.

### **CEO Biography of Operational Excellence**

Rousseau joined BrightSpring Health Services in September 2016 with a distinguished career as a senior health care executive. He has a demonstrated track record of success at multiple Fortune 500 health care companies and as a private equity and investment banking professional. Rousseau previously served as executive vice president of Kindred Healthcare and president of Kindred Rehabilitation Services, the largest diversified rehabilitation services company in the U.S. by sites of service. Prior to that, he was president of the Care Management Division and Kindred at Home, Kindred’s home health, hospice, home care and home-based primary care businesses. Before Kindred, Rousseau held a number of senior leadership positions at other market-leading health care product and technology companies, including vice president of global marketing, strategy and commercial development at Mylan and global senior director of the continuous glucose monitoring franchise with Medtronic. For the first part of his career, Jon worked at Friedman Fleischer & Lowe LLC, a leading private equity firm, and at Morgan Stanley in investment banking. He received his MBA from Harvard Business School and his A.B. degree from Princeton University. Jon has received numerous awards and certifications and is frequently requested to speak at events. He was recognized in February 2017 as one of the “20 People to Know: Health Care” by Louisville Business First.