



Catalyst Mental Health

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Mental
Health

Annual Benefit Report: 2024

Report Date: 03/18/2025

Overview:

Catalyst Mental Health has been providing outpatient mental health services since 2011, converted to B-Corporation in 2019, and achieved certification status as a B-Corporation in 2023.

Our mission statement is:

To develop, create, and maintain a mental health organization that is healthy, sustainable, and professionally enriching for all of its employees, so that they are in turn empowered to provide the most compassionate, dynamic, and effective services possible to each and every client, neighborhood, and community that they serve.

Notable Developments in 2024:

Client Feedback Initiative

We started collecting feedback from clients this year about their experiences with our therapists. Below is a summary of scores returned by a sample of 103 randomly selected clients in December of 2024:

Please rate this therapist's professional KNOWLEDGE of the problems that were presented:

Average score 4.76 out of 5 stars

Please rate this therapist's ABILITY to understand, engage, and connect with clients:

Average score 4.73 out of 5 stars

Please rate this therapist's overall PERFORMANCE on helping clients achieve their desired goals:

Average score 4.67 out of 5 stars

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St. Paul / Highland Park, Minnesota Site Growth

We continued to grow our presence in the Highland Park neighborhood of St. Paul at the existing site we launched in 2023. We elected to postpone our plans to expand to a larger site in the area until market conditions are more favorable in the future.

Duluth, Minnesota Site Launch

We had one therapist begin providing new in-person services at a site in Duluth, Minnesota in the Summer of 2024. By the end of 2024 we had also hired two additional staff to join the team in Duluth when the remaining construction is done at the site in 2025.

Mount Dora, Florida Site Launch

We had one therapist begin providing new in-person services at a site in Mount Dora, Florida in the Summer of 2024.

Minneapolis / Uptown Minnesota, Added Chemical Health Support

We increased the number of clinicians at our Minneapolis / Uptown site who are dual-licensed as both mental health therapists and alcohol and drug counselors.

Temporary Pause on Internship Program

We elected not to take on a cohort of new graduate school interns in 2025. The combination of dramatically increased quotas for client hours required by certain graduate programs, combined with lower overall demand for services from new clients due to an over-saturated market for mental health services in the Twin Cities, felt unsustainable to us. We plan to resume accepting interns when one or both of these conditions change in the future.

In the meanwhile, we plan to continue providing clinical supervision for post-graduate clinicians.

Online Forms

We launched online forms for our client intake process that include digital e-signatures in the summer of 2024. Those forms were also revised and upgraded to facilitate a simplified workflow near the end of 2024.

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Key Performance Metrics for 2024

Client Stakeholders

- We conducted approximately **35,000** mental health sessions with approximately **2,500** unique individuals.
- Of the mental health sessions provided, approximately **21%** were billed to Medicaid or Medicare plans, and approximately **3%** were billed at a discount on a sliding scale.
- Of the unique individuals served, approximately **23%** identified as LGBTQ+, and approximately **16%** identified as Non-White.

Ownership Stakeholders

In an industry where the share of clinics owned by private equity groups seems to grow larger with every passing year, Catalyst Mental Health remains a proud exception as a 100% Boot-Strapped, 100% Clinician Owned & Operated entity.

Our three current clinician owners and founder met for their 4th annual leadership summit and retreat in Durango, Colorado in June of 2024. We plan to continue growing and diversifying our ownership group in years to come as well, with a focus on recruiting new owners internally from our existing base of high-performing clinical employees.

Employee Stakeholders

Some highlights of our anonymous Annual Employee Benefit Survey are summarized below:

Survey Participation

- Approximately **75%** of current active employees participated in 2024.

Participation in this survey has been trending downward over time. This could reflect either (A) disengagement from employees who are generally satisfied and feel they have already shared all the positive things they wanted to say, or (B) disengagement from employees who are generally dissatisfied and have less confidence or hopefulness that their feedback will have a meaningful impact. Of these two factors, we expect A is a stronger driver of declining participation based on high average satisfaction in prior surveys.

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The timing of the survey might have also had a negative impact of the response rate, because we conducted it over the Holiday season this year, whereas we have conducted it in early March in prior years. We shifted the survey timing to capture a better snapshot of sentiment near the end of the current calendar year, since benefit and pay changes often go into effect at the start of each new calendar year.

- Approximately **96%** of respondents rated our mission performance as “Good” or “Excellent,” compared to 97% in 2023.
- Approximately **94%** of respondents reported being “Engaged” or “Very Engaged” with their work, compared to 92% in 2023.
- Approximately **86%** of respondents reported being “Satisfied” or “Very Satisfied” with their work experience, compared to 90% in 2023, and 84% in 2022.
- **100%** of respondents hired within the past year reported their work experience as “Better” or “Much Better” than other places they had worked in the past, compared to 90% in 2023.
- Approximately **80%** of respondents reported being “Satisfied” or “Very Satisfied” with the methods and procedures used to determine their compensation, the same percentage as in 2023.

Community Stakeholders

The organization that oversees our current B-Corp certification process has been working on a new set of certification standards that they aim to start using to certify B-Corps in 2026, so we actively engaged in a variety of forums and feedback sessions to advocate for standards that we believe will provide maximum benefit for our full spectrum of stakeholders.

We learned a lot from this process of engaging with other B-Corps and stakeholders in the broader national and international B-Corp community as well. Finding common ground and shared understanding across B-Corps both small and large, within the United States and abroad, proved to be a challenging but rewarding exercise.

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We are not yet sure whether we will want to remain certified when the new standards are finally put into practice, but we were pleasantly surprised with how responsive the broader B-Corp community was and how committed everyone was to working together toward positive change.

New Initiatives Planned for 2025

Client Outcomes Initiative

We are hoping to roll out a standardized outcomes tracking program across all of our sites in the second half of 2025. Having discussed the matter at great length with our insurance partners in 2024, we now have a clear path and vision for how to implement such a program, so we aim to execute that vision as soon as we feasibly can.

Duluth, Minnesota Site Growth

We plan to finish building out additional offices at our new site on Duluth to provide more space for a larger clinical team. We expect to continue hiring additional staff when the construction process is complete as well.

Commission Pay Upgrades for Therapists

While overall satisfaction with our current pay system for therapists has remained high since we implemented it in 2022, there are some distinct differences that have emerged over time between the older cohort of therapists who helped design it and the newer cohort of therapists who have joined over the past few years, with the former expressing consistently high levels of satisfaction and the latter expressing periodic concerns about its complexity, which makes the pay system hard to understand and trust for therapists encountering it for the first time.

We consequently plan to implement some changes in 2025 that will simplify and streamline the commission pay system for therapists in ways that we expect will make it easier to understand and more appealing to newer employees. Specifically, we plan to stop indexing commission pay to collections and pay therapists a single flat rate per average sessions billed above a floor eligibility threshold instead.

This disregard of cash collections and refocusing on total work billed should actually add back in the most popular aspect of our pay system from prior to 2019. We abandoned that approach in 2019 due to concerns about the ability of our organization to shoulder the associated cash-flow risks at the time, but we believe our organization has grown large enough and stable enough to manage such risks successfully going forward.

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Updated Branding

We spent a significant portion of the fall in 2024 conducting market research and working with a design consultant on how update our branding, which to this point has remained unchanged since the organization's founding in 2011.

A lot has changed since then, including our re-organization as a B-Corp in 2019 and our certification in 2023, so we figured we were long overdue for a refresh. We expect to reveal the updated branding that came out of that process near the start of the 2nd quarter of 2025.

Software and Technology Initiatives

We have several leftover technology initiatives from 2024 that we did not succeed in rolling out due to a difficult operating market that forced us to refocus on other projects, but we are going to do our best to continue working on these initiatives for as long as it takes to complete them:

- Updated website that is easier to navigate
- Client portal with online bill-pay and automatic / scheduled bill payments
- Online scheduling

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