

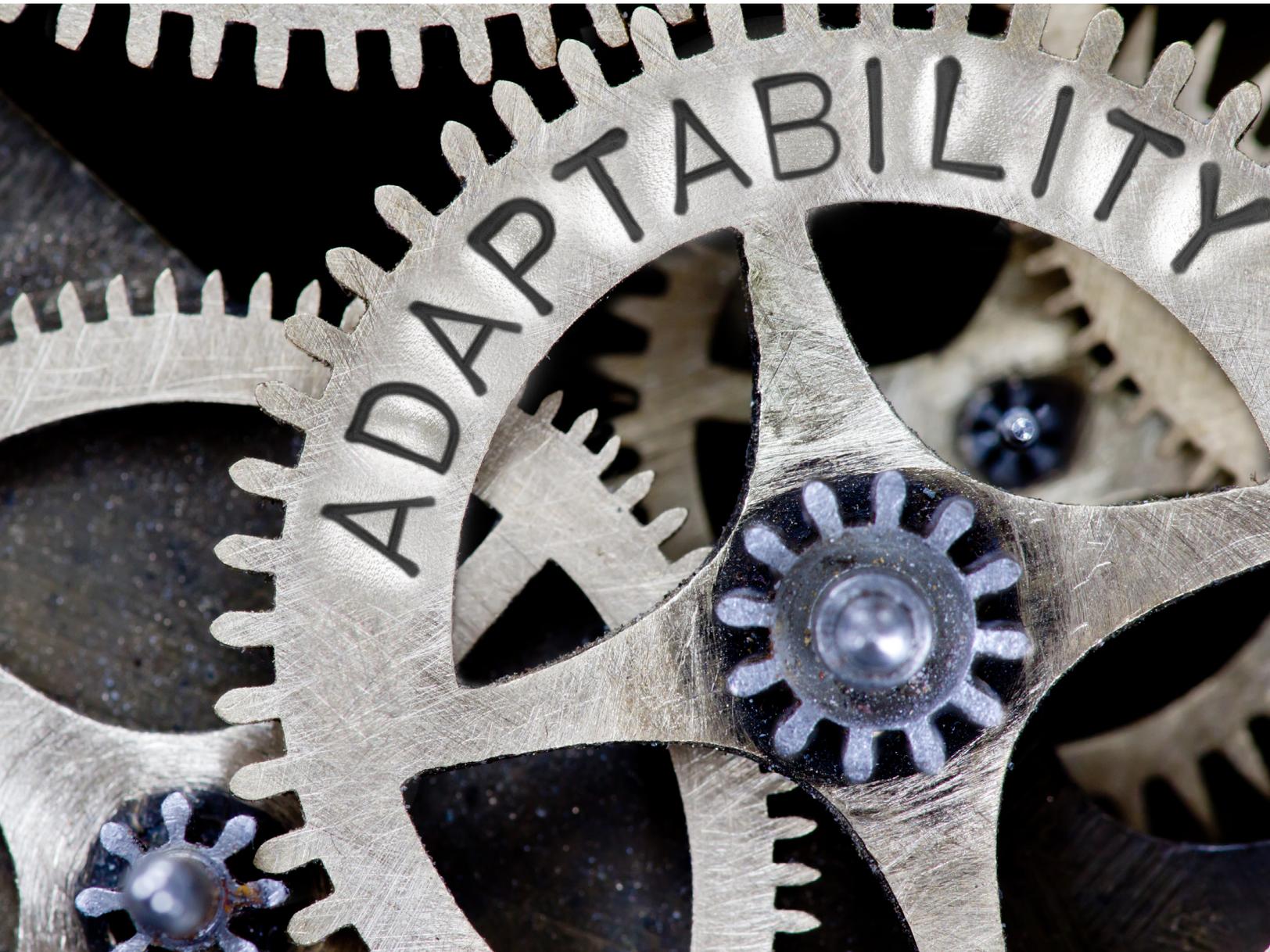
THE ADAPTIVE ADVANTAGE



Accelerating Business Capacity of Aging Service Providers

LEARNING BRIEF #1

This learning brief is one in a series of three that collectively showcase the accomplishments, challenges, and learnings of five community-based organizations that participated in the Marin Community Foundation's Accelerating Business Capacity of Aging Service Providers (ABC) initiative. The ABC initiative was a three-and-half year program designed to build business acumen among Marin County, California older-adult service providers committed to pursuing and securing partnerships with healthcare organizations.



AUTHORS AND PROJECT CONSULTANTS

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FOREWORD

In 2015, the Marin Community Foundation (MCF) set out to address a fairly simple idea: that a person's general life needs - food, housing, transportation and the like - should be explicitly considered and addressed within the context of their medical care.

Decades of research, direct experience and common sense all point to the simple idea that if we pay attention to these "non-medical factors," individuals will experience better health, have a more positive experience with the health care system and, in turn, health care costs will be reduced.

While the concept of integrated, person-centered care was developing within the health care system, community-based organizations (CBOs) delivering social services have long understood the importance of food, housing, and transportation to one's overall health. For decades these organizations have operated as functional extensions of the health care system, taking care of people in their homes to maintain independence and provide support when individuals are discharged from emergency departments and hospitals. But this work has taken place largely out of view of the health care system.

The COVID-19 pandemic has brought the connection between one's social circumstances and the risk of infection and progression to serious illness into sharp focus. Sheltering at home is impossible if one doesn't have a home; accessing COVID-19 testing is a challenge when transportation options are limited; access to food becomes a greater challenge when one is out of work. Once again, CBOs have been critical lifelines to supporting the public health response.

The journey we set out on in 2015 is not complete. However critical shifts are now well underway among the CBOs that participated in the MCF Accelerating Business Capacity initiative. Over five years we've learned a lot and we're pleased to share our learning with colleagues around the country - working towards the simple idea that our health and social circumstances are deeply connected.



Thomas Peters, President & CEO
Marin Community Foundation



THE ADAPTIVE ADVANTAGE

In Marin County, California, 28% of the population is currently over the age of 60 – a percentage that is expected to grow to 37% by 2030.¹ In Marin County, as in the U.S. overall, the needs of an aging demographic combined with growing accountability for healthcare organizations (HCOs) to produce better outcomes is contributing to increased need and demand for community-based social services. However, public funding and private donations alone do not provide community-based organizations (CBOs) with sufficient revenue to meet this rising demand. This combination of factors is creating an environment ripe for partnerships between the traditionally siloed social service and healthcare sectors.

For CBOs to pursue healthcare partnership opportunities proactively, they need to design and activate a flexible cross-sector strategy and master new capabilities for pursuing and sustaining equitable relationships with their HCO counterparts. Recognizing these needs, in 2016 the Marin Community Foundation (MCF) launched its Accelerating Business Capacity of Aging Services Provider (ABC) initiative. This 3.5-year initiative included 15 convenings led by industry experts, academics, and peers on topics that included healthcare market research, healthcare financing, collaboration strategies, service design, building the business case, business development, change management, negotiation skills, leadership training, and strategic foresight. Each of the five participating CBOs also received ongoing technical assistance to support application of the concepts taught

in the convenings, and had the opportunity to apply for infrastructure development funds.

Among the capabilities that CBOs need to navigate the path to partnership successfully is the ability to be adaptable. Being adaptable involves building tolerance for uncertainty, paying attention to and accommodating a changing environment, pursuing a variety of solutions and/or strategies for long periods of time, being open to learning what works and what doesn't in real-time practice, and building positive relationships based on trust.²



This learning brief illustrates how two ABC CBOs—Jewish Family and Children's Services and LifeLong Medical Care—learned more about what it takes to be an adaptable organization as they engaged in the work of developing cross-sector partnerships with HCOs through the ABC initiative.

1 Marin County Aging and Adult Services. (2019; Dec.). Older Adult Needs Assessment: Executive Summary. [Citing data from American Community Survey, 2013-2017, available at: factfinder.census.gov/ and the California Department of Finance, Marin County Projections, 2019, available at: www.dof.ca.gov/]

2 Kania J, Kramer M, Russell P. (2014; Summer). Strategic philanthropy for a complex world. *Stanford Social Innovation Review*. Accessed January 6, 2020 at ssir.org/up_for_debate/article/strategic_philanthropy#.

THE ORGANIZATIONS

Jewish Family and Children's Services (JFCS) and LifeLong Medical Care (LifeLong) joined the ABC initiative with enthusiasm for building partnerships that would lead to better outcomes for clients while diversifying funding for the provision of much-needed social services.

Although **JFCS** came into ABC with several healthcare partnerships in place, they saw the initiative as a means to gain greater understanding of the evolving healthcare landscape in order to strengthen existing partnerships and secure new partnerships in Marin County. They also viewed the initiative as an opportunity to revisit the potential utility and appeal of their service lines for HCOs.



Jewish Family and Children's Services jfcs.org

- Human service agency serving five San Francisco Bay Area counties
- 40+ programs
- Health and social services for seniors, therapy for children, youth volunteering, services for people with disabilities

As their Associate Executive Director Nancy Masters explained, "While we've been successful negotiating conservatorship contracts and homecare contracts, we wanted to look at the full range of the services that we offer and how those could contribute to the healthcare system as well."

LifeLong joined ABC with the goal of restoring financial stability to their Marin Adult Day Health Center (ADHC), which was struggling due to changes in Medi-Cal reimbursement and the end of a large grant. In addition, LifeLong recognized that with just a single facility in Marin County, they would need to expand their service offerings and increase their visibility among local HCOs and demonstrate the value LifeLong brings. As Chief Administrative Officer D.L. Poole explained, LifeLong turned to MCF's ABC to help build "a closer relationship with other CBOs in the community" and "broaden and strengthen our footprint" in the local healthcare market.



LifeLong Medical Care lifelongmedical.org

- Federally Qualified Health Center (FQHC)
- Serves 66,000 individuals annually in three San Francisco Bay Area counties
- Medical, dental, behavioral health, and social services
- Has an Adult Day Health Center (ADHC) in Marin County that was the focus of the organization's ABC work

BECOMING ADAPTABLE ORGANIZATIONS

As JFCS and LifeLong worked to develop business plans, build a variety of leadership and management skills, and negotiate agreements with HCOs, they learned that a broader ability to adapt to changing circumstances was crucial to their healthcare partnering success. In particular, they found that they needed to:

- **Be willing to experiment over the long haul;**
- **Become better resourced; and**
- **Commit the time required to learn and evolve.**

BEING WILLING TO EXPERIMENT OVER THE LONG HAUL

“Experimentation necessarily produces failure. Adaptive companies are very tolerant of failure, even to the point of celebrating it.”³

JFCS and LifeLong each devoted a substantial amount of time, resources, and effort to determining which service lines were consistent with their missions, financially viable for their organizations, and most appealing to potential healthcare partners. Their **willingness to consider and pursue different directions** over an extended period of time and their **persistence in the face of initial unsuccessful attempts** were crucial to advancing their partnership strategies.

JFCS came into ABC with an understanding that they would need to experiment in order to determine what programs or services would be a fit for HCOs, but

also with a conviction that they would not redesign existing services for the sole purpose of pursuing contracts.



Prior to ABC, they had garnered experience providing case management, transitional care, and home services in partnership with HCOs. However, in a few of these cases, they found that after promising pilots, their partners took these services in-house or transitioned back to a traditional referral model.

JFCS had also explored subcontracting with another organization that had a contract with a HCO, but concluded it was not the right fit for the agency. As Associate Executive Director Nancy Masters summed up, “We want to be true to what we feel is a quality delivery of services that meets people’s needs and continue to work with populations that are a priority for us. We’re not just going to chase opportunities to contract.”

During ABC JFCS explored the possibility of adapting their current palliative care and mental health services as potential offerings to HCOs. However, internal staff changes, competition from other organizations, and cost-benefit analysis led the leadership team to conclude that they were better positioned to offer dementia services, an existing line that they had recently expanded and validated through initial favorable data.

3 Reeves M, Deimler M. (2011; Jul-Aug.). Adaptability: the new competitive advantage. Harvard Business Review. Accessed February 6, 2020 at hbr.org/2011/07/adaptability-the-new-competitive-advantage.

With a renewed focus on leveraging their existing services fully, JFCS established several new healthcare partnerships that tapped directly into their unique strengths. These included growing

their conservatorship services with a health system, providing community-based care coordination to individuals with mild to moderate dementia in partnership with a local physician network, delivering care coordination to a medically complex population, and providing physical therapy services through a new direct billing arrangement with Medicare.

LifeLong's journey started in much the same way – with a healthy amount of experimentation – but early success proved to be more elusive. Seeing potential funding opportunities and hopeful that their experience in other markets could be applied to Marin, the organization pursued a range of healthcare partnerships around medical respite, Whole Person Care for the homeless, and Health Homes for people with chronic conditions.

Unfortunately – and as they had anticipated when they got involved in ABC – LifeLong lost out to competitors with more extensive experience in the local Marin market and who offered a broader range of services. In looking back at this experience, Geriatric Services Director Kathryn Strambaugh reflected, "We

did get a lot of rejections where we put a lot of effort into ideas that didn't work out. That's demoralizing for a minute, but then we all just pull ourselves back up and move forward."

Determined to improve their value proposition, the LifeLong team went through an opportunity assessment exercise. The assessment process permitted LifeLong to identify their most promising offerings for healthcare partnership, based on criteria such as demonstrated market need, alignment with their mission and core services, and financial viability.

Through this assessment, the team pinpointed behavioral health services as their lead solution, through which they could leverage their own track record with these services outside Marin County in order to satisfy unmet demand inside Marin County.



By the end of their participation in ABC, LifeLong was poised to sign a direct billing agreement with a managed care organization to provide behavioral health services to older adults and their caregivers with mild to moderate behavioral health needs. They had also had entered into an agreement with another HCO to study the feasibility of an additional set of older adult services.

BECOMING BETTER RESOURCED

**“The people must have ownership
in the vision. They need to
be enabled to accomplish it.
If there is one investment
you should make it is [in] people.”⁴**

As they worked toward greater clarity about which services sit at the heart of their partnership strategies, JFCS and LifeLong set their sights on building new and cultivating existing resources. This requires each organization to evaluate and strengthen **three key areas:**

Talent:

JFCS evolved the role of their Manager of Business Development for Seniors at Home so that she had time and responsibility for conducting research on and outreach to HCOs. LifeLong hired a new Program Director for their Marin Adult Day Health Center (ADHC), bringing fresh perspectives and an accountable leader for partnership growth after a period of high turnover in this position.

Necessary Business Competencies:

JFCS and LifeLong staff acquired and deployed new leadership and management skills during ABC that were crucial to successful healthcare partnership development, particularly in the areas of market knowledge and foresight, financial acumen, and control and performance management.

JFCS began to conduct regular scans of the healthcare landscape using marketing and partnership profile tools from ABC technical assistance provider Collaborative Consulting. The organization also conducted cost-benefit analyses and competitor and opportunity assessments to explore the potential fit for several services lines that could be effectively integrated with healthcare service delivery.

In the process, as Manager of Business Development Michelle Javid explained, JFCS came to “understand the language [of HCOs] better, so we’re able to speak the language they speak and understand their culture and the way they do business.” JFCS also learned to better define what outcome data would be most feasible and useful to collect, and they used their ABC infrastructure grant to help implement a new version of their Electronic Health Record system that would bolster their ability to demonstrate outcomes.



Like JFCS, LifeLong developed a more data-driven mindset and bolstered outcome evaluation capabilities by investing funds to upgrade its data systems. In addition, LifeLong conducted market assessments and return on investment analyses, improved its project management practices, and increased its ability to

⁴ Modesta Lilian Mbughuni, entrepreneur and human capital consultant from Tanzania, cited in McNulty EJ. (2017). Putting humanity first in our organizations: are we overcomplicating management and leadership and ignoring what makes us people? Accessed March 15, 2020 at www.strategy-business.com/blog/Putting-Humanity-First-in-Our-Organizations?gko=ca0e6.

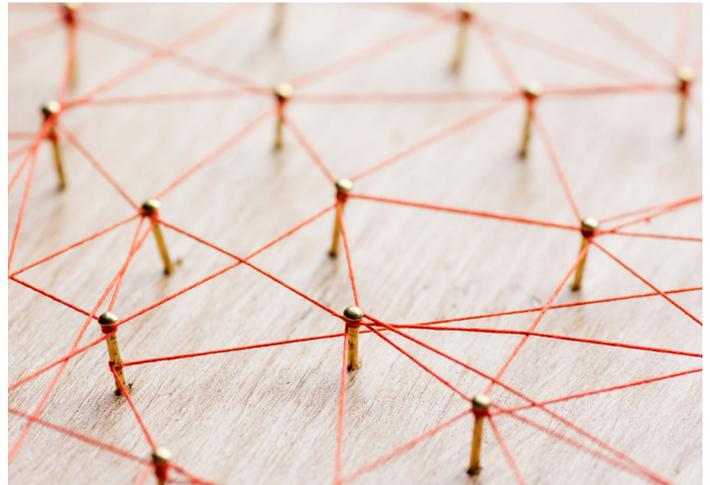
present a value proposition using ABC initiative tools and activities. In reflecting on the value of the new business competencies for partnering work, Chief Administrative Officer D. L. Poole expressed:

“Because we have a structure, and we have a very clear service line, and we have smart people within our organization that can really speak towards it... we are better positioned now... to be able to sit in front of these [healthcare] folks more informed, more ready to talk about a business proposal that is drawn out, that has teeth, that has structure, that has body, that’s ready to provide a service. Hands down, that puts us in a whole different space when it comes to partnering with stakeholders.”

Robust Relationships:

LifeLong saw development of relationships in the Marin health and healthcare sector as a significant challenge, due to the organization’s **limited visibility** in the local market. Their new Marin ADHC Program Director, Rosalie Gazzola, recognized that the ADHC was, in her words, “the best kept secret” in older adult services in Marin County. She turned this situation around by serving as a stable local point person for the organization, conducting outreach, attending local events, and bringing representatives of local organizations into the ADHC. As Geriatric Services Director Kathryn Strambaugh explained, the Program Director and the rest of the leadership team “really did go through a process of meeting with and talking to and talking to again all of these different players in Marin County and even into Sonoma County.... So we have a much **broader network** now.”

In expanding the role of their Manager of Business Development for Seniors at Home, JFCS established more accountability for managing existing partner relationships and developing new ones. JFCS found that turnover within HCOs affected relationships not only negatively, but also positively. While turnover sometimes resulted in the loss of an established point-of-contact and the need to build a new relationship from scratch, in at least one instance turnover led to an improved relationship between JFCS and the HCO.



The organization learned that it would need to **remain nimble in the face of change, focus on extending their reach into and across HCOs to maintain relationships over time, and invest time, energy and good will in fostering the human side of partnerships.** This change has paid off for JFCS. Associate Executive Director Nancy Masters offered the following example: “The work that we’ve been doing in building relationships... with medical groups put us in a position where – when there was an opportunity [with County funds] for a pilot project [related to dementia services] – we thought of [a] medical group and they thought of us as the logical partner.” An agreement was signed between the two organizations for a three-year project that will run through mid-2021.

COMMITTING THE TIME REQUIRED TO LEARN AND EVOLVE

“To learn is to grow.
The taller our knowledge,
the closer we are to the sun.”⁵

JFCS and LifeLong learned that engaging in experimentation and becoming better resourced require a significant time commitment. But they believed that the investment was necessary and worthwhile. As LifeLong’s Marin ADHC Program Director Rosalie Gazzola explained, with the changing healthcare landscape, “we felt a sense of urgency—get on board or get left behind—so devoting time to this work wasn’t really a question.”

However, investing time presented a challenge for the CBO leadership teams, given competing priorities. For example, as Gazzola explained, “While LifeLong is a large organization, our program in Marin County is relatively small and most of the staff don’t have much extra time to participate in strategic planning activities. Similarly, at our central administrative offices – where we do have staff who work on learning, development and/or new initiatives – we are all stretched pretty thin.”

Both JFCS and LifeLong addressed time constraints by setting regular leadership team meetings. JFCS’s leadership team focused on establishing incremental action items and holding each other accountable for achieving key milestones related to building capacity and engaging in healthcare partnering work. JFCS Associate Executive Director Nancy Masters reflected,

“I think some of [what led to the development of capacities] is the time we spent together learning and developing more of a shared vocabulary, developing more of a sense together of the skills we need to have and the challenges.”

At LifeLong, the Geriatric Services Director postponed another project so that she could integrate capacity-building and healthcare partnering activities into her workplan. She led the team’s work on ABC assignments and developed a business plan for healthcare partnering, while other members of the team focused on learning and strategy development. LifeLong also contracted with a former Marin ADHC Program Director so that the current Program Director could leave the office to attend ABC convenings.



Identifying ways to invest the time required to learn and evolve paid off for JFCS and LifeLong, as they acquired and deployed new capacities in service of HCO partnerships. Explains Traci Dobronravova, JFCS’s Director of Seniors At Home: “As an agency we were able to develop a framework for how best to partner with healthcare organizations, through understanding where our strengths lay in relation to potential opportunities.”

5 Jensen M. (2014). To learn is to grow, and growing is the point of life. Accessed March 15, 2020 at thoughtcatalog.com/maddison-jensen/2014/01/to-learn-is-to-grow-and-growing-is-the-point-of-life/.

WHAT'S NEXT

Looking ahead, healthcare partnering remains a high-priority strategy for JFCS, as they look to expand their existing relationships and pursue new partners. Their current partnership with one physician network focused on care management for individuals with dementia is expected to provide the data and insights to validate the effectiveness of that specific collaboration while giving the CBO the ability to demonstrate the tangible benefits it can deliver for other potential partners.

JFCS is already having productive conversations with a range of possible HCO partners and expects to secure new relationships with medical groups and payers to serve Medicare populations.

Meanwhile, JFCS's leadership team remains actively engaged, meeting regularly to discuss new approaches, progress, and changes to threats and opportunities in the landscape. They are confident that they have learned valuable lessons and grown the right capabilities to continue to adapt as they pursue healthcare partnerships. "Although we have a long history of providing social services that integrate with the healthcare system to improve outcomes, we are excited about the potential new collaboration and contracting opportunities that today's rapidly changing healthcare system affords us," says Dobronravova of JFCS.

LifeLong is currently exploring partnership opportunities with several regional healthcare entities. Their near-term efforts are focused on maximizing its current relationships, including their pending direct billing agreement with a managed care organization to provide behavioral health services to older adults and their caregivers in Marin County. Outcomes and new learnings from this managed care agreement

will shape whether and how they approach additional behavioral health services partnership opportunities in the future. And pending the success of their in-progress feasibility study with another HCO, LifeLong anticipates a larger contractual agreement with this healthcare entity.

"We are feeling very confident about future opportunities for healthcare partnering," says LifeLong's Geriatric Services Director, Kathryn Stambaugh. "It took a couple of false starts, but now we have found our niche, built relationships, and developed the expertise we needed to move forward."

By focusing on a well-defined set of near-term partner opportunities, LifeLong expects to put their partnership program on solid ground today, while determining the best course for expanding their horizons over the next two years. They have experience adapting to new circumstances and will continue to adapt as they learn from their current opportunities.

IF YOU ARE A CBO setting out to develop partnerships with the healthcare sector, strengthen your ability to adapt by...

- **Becoming curious:** Set aside time for leadership to learn, explore, think and evolve.
- **Being willing to experiment:** Take ideas out of the conference room and test them in the field to determine if they provide a satisfactory return on investment before deploying them at scale. If plan A doesn't work, bounce back, reassess, and move on to plan B.
- **Equipping your leaders to push the envelope:** Encourage them to be open to new ideas and ways of operating, and to committing to action.
- **Increasing tolerance for failure:** When – not if – you experience a setback, acknowledge the team's disappointment and then focus on the opportunity to learn and evolve.
- **Looking for ways to improve, using resources at hand:** Use available resources – such as technical assistance, peer support, educational sessions, tools, and frameworks – to accelerate the development of key competencies in areas such as market knowledge and foresight, financial acumen, and control and performance management.
- **Maintaining and building relationships within the health and healthcare system:** Relationships need to be cultivated, tracked, and managed on an ongoing basis.
- **Holding each other accountable:** Ensure that specific people are responsible for actions and milestones so that the work that needs to be done is prioritized.

IF YOU ARE A FUNDER investing in CBO capacity-building efforts to advance integration between the medical and social sectors, support CBOs' ability to be adaptable organizations by...

- **Including adaptability** as an explicit skill development area for CBOs.
- **Prioritizing development of entrepreneurial leadership skills** that are necessary to advance change initiatives, create a learning and growth environment, and persevere in the face of uncertainties
- **Requiring engagement of CBO leadership teams** in convenings and technical assistance offerings.
- **Providing flexible funding** that allows for CBO risk-taking.
- **Designing capacity-building initiatives** that are multifaceted and flexible to adapt to changing conditions and opportunities.
- **Educating your own board and leadership** about the value of experimentation and failure in efforts to support innovation.

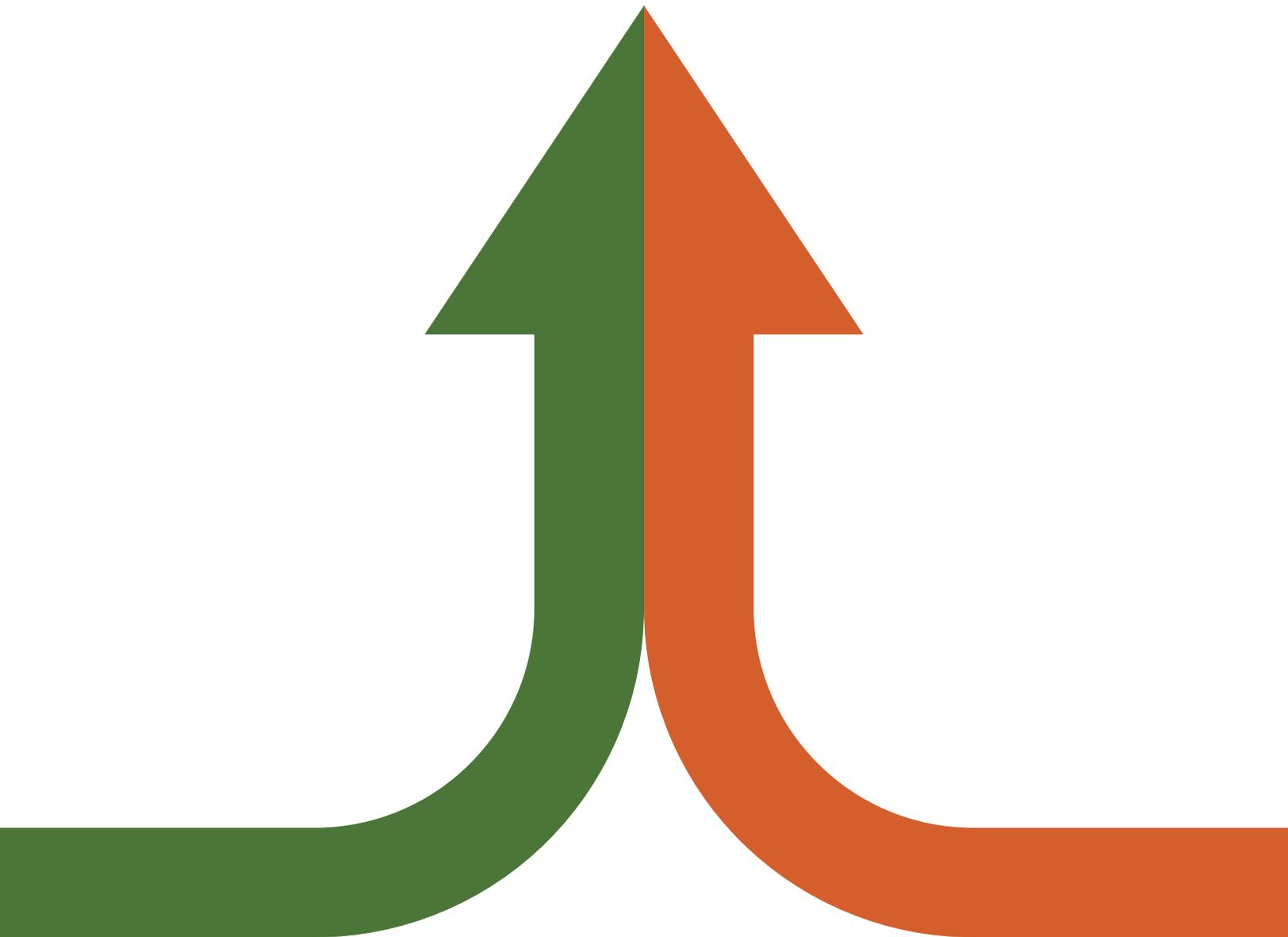
TWO CURVE ORGANIZATION



Accelerating Business Capacity of Aging Service Providers

LEARNING BRIEF #2

This learning brief is one in a series of three that collectively showcase the accomplishments, challenges, and learnings of five community-based organizations that participated in the Marin Community Foundation's Accelerating Business Capacity of Aging Service Providers (ABC) initiative. The ABC initiative was a three-and-half year program designed to build business acumen among Marin County, California older-adult service providers committed to pursuing and securing partnerships with healthcare organizations. For more background on the initiative, please see page 1 of Learning Brief #1.



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TWO CURVE ORGANIZATION

In his book *The Second Curve*¹, futurist Ian Morrison argues that during times of widespread transformational change, organizations must simultaneously move along two curves. The first curve represents today's way of doing things: the organization understands how everything works, knows the rules and has enough historical information to anticipate the outcomes of its decisions with a reasonable degree of accuracy. The challenge though is that, as a result of changes happening all around, this curve is becoming stagnant.

This brings us to Morrison's second curve, which represents the emergence of tomorrow's way of doing things. As the first curve is falling, the second curve is rising in a way that calls for organizations to look for signals that hint at what the future may hold, plan for that future, learn through experimentation, and become adaptable in the face of change.

Even if the implication is that organizations must make the leap from curve one to curve two over the long term, the near term reality is that successful organizations must be adept at managing both curves at the same time if they are to not only thrive in the present but also prepare to thrive in the future. For this reason, it is vital that community-based organizations (CBOs) learn how to become two-curve organizations – simultaneously strengthening (and evolving) core operations while building new models capable of creating future growth.

In becoming a two-curve organization, a CBO doesn't only secure its own capacity to succeed during times of transformation. It positions itself to be a more valuable partner to the healthcare sector, which is undergoing its own transition from curve one to curve two as it moves from the fee-for-service reimbursement world to one that rewards better health outcomes – **thereby turning the healthcare sector's second curve imperatives into the social sector's curve two business opportunities.**

As participants of the ABC initiative, two California CBOs – Whistlestop and Marin Center for Independent Living – learned about Morrison's second curve model and how it applies to the two-curve strategies they are pursuing for their own organizations.

1 Morrison I. (1996). *The Second Curve: Managing the Velocity of Change*. NY: Ballantine Books.

THE TWO-CURVE ORGANIZATIONS



While Morrison’s two curve concept was introduced late in ABC, the Marin Senior Coordinating Council, DBA Whistlestop (Whistlestop) and Marin Center for Independent Living (Marin CIL) were already familiar with the realities of running two parallel strategies inside their own organizations. **While sustaining – and even expanding – their core services with funding from traditional sources, both have looked to partnerships with healthcare organizations as a key strategy for driving curve two growth.**



Marin Senior Coordinating Council, DBA Whistlestop | whistlestop.org

- Started in 1954
- Provides specialized transportation, nutrition, social connection, and information and assistance for older adults and persons living with disabilities through the power of human connection
- Today, the largest non-profit serving older adults in Marin County

As Whistlestop’s Chief Executive Officer Joe O’Hehir puts it, his CBO’s first curve focuses on “the development of evolutionary strategies for the growth of our core programs and services,” while the second curve entails “acting like a startup, coming up with the revolutionary thing that furthers our mission but does so from a different perspective and through a novel approach.”

With a 65-year track record in providing transportation, nutrition, social connection and information for older adult and special needs populations, Whistlestop relies on the revenue it earns from its core services and is committed to remaining relevant in these areas by continually evolving them in ways that improve their efficiency and effectiveness. This said, they have recognized that partnering with healthcare entities to offer core service packages through new channels will provide a path to greater revenue and service reach. They have also realized that their pre-ABC strategy to combine affordable housing with social services in a healthy aging campus could be enhanced with the addition of healthcare partners.

For Marin CIL – an independent living center founded in 1979 – curve one is similarly oriented toward maintaining and growing the programs they’ve delivered in



Marin Center for Independent Living marincil.org

- Founded in 1979
- Provides person-centered care coordination and housing preservation services and engages in advocacy for older adults and persons living with disabilities
- Recently became the ninth Aging and Disability Resource Connection (ADRC) in California

adherence to state and federal standards over the span of more than 40 years. Their second curve reflects rising demand for cross-sector partnerships to expand long term service and support options in Marin County. Executive Director Eli Gelardin describes the main thrust of their second curve as a new strategy that brings together healthcare partners and a network of aging and disability service providers in an ecosystem that embraces a no-wrong-door-philosophy. "Whether you come to us directly or come in through the county or through a healthcare organization, you're going to receive a comprehensive assessment and the appropriate referral to the right set of organizations or services that you need as an individual."

RIDING THE SECOND CURVE



Technical assistance and infrastructure grants provided by ABC allowed both Whistlestop and Marin CIL to advance their curve two strategies, put the right resources and capabilities in place, and learn important lessons about what it takes to successfully operate a true two-curve organization. In particular, they found that success in riding two curves simultaneously requires CBOs to:

- **Identify, understand and react to the signals and patterns of change**
- **Balance operations**
- **Raise their standards to meet rising expectations**

Identifying, Understanding and Reacting to the Signals and Patterns of Change

For CBO leaders who have been paying attention to the changing healthcare system, the opportunities emerging at the intersection of medical care and social services may seem obvious. In fact, the signals can be found nearly everywhere they look – at conferences, in articles and reports, in conversations with peers. "We started experiencing the energy around the evolving market opportunity at events like the American Society on Aging National Conference [ASA] and reading about it in much of the literature and materials that organizations like ASA and the Aging and Disability Business Institute distribute on this topic," says Whistlestop's O'Hehir.

For Marin CIL, researching the changing healthcare landscape started with identifying and reaching out to informants and leaders in cross-sector partnerships at the local, regional, and statewide levels. "Each conversation would prepare us for the next one. Over time, we built up a strong foundational understanding of the landscape and how it was changing. We also engaged in site visits, whenever possible. It was incredibly valuable to witness innovation firsthand," described Executive Director Gelardin.

One of the predominant themes Marin CIL identified through their research was that CBOs could provide value to health systems by increasing engagement and navigation to care and services.

But seeing the signals of change is just the first step in a rigorous approach by which an organization comes to understand what change actually means for them and develops a sound strategy for translating change into new opportunities for growth. For example,

Whistlestop used an ABC external market assessment tool, tapped into healthcare experts they met through ABC convenings, and followed a structured business planning process to identify new demand for some of their core services, new healthcare partners that would pay for them, and the new realities of competing against for-profit providers for market share. This resulted in Whistlestop launching several cross-sector pilots that would act as proof of concept for its curve two strategy.

Through monitoring signals of change, thorough market research and healthcare key informant interviews, it became obvious to Whistlestop that patient no-shows were a big issue for healthcare providers, both clinically and economically. According to a recent publication, 3.6 million individuals forego medical care each year due to transportation issues², and one study suggests that no-shows cost the U.S. healthcare system more than \$150 billion annually.³

Whistlestop's O'Hehir explained, "We thought we could help healthcare organizations improve this issue by packaging our transportation services in a way that could be integrated into the healthcare delivery system. We just needed to find a willing healthcare partner to gain proof of concept."

Hence, they launched an initial pilot with a neighboring Federally Qualified Health Center (FQHC) in which they co-designed a transportation service called MARS, the Missed Appointment Reduction Service.

BALANCING OPERATIONS

When a CBO commits to pursuing a two-curve strategy, one thing becomes clear: The organization must be ready to balance two very different operating models, ensuring that both have the resources, funding and direction necessary to succeed.



Attempting to do more with the same talent, capabilities, funding and expectations is generally not an option because, as Joe O'Hehir put it, "When you have a successful CBO to run, you can't rob Peter to pay Paul." For both Whistlestop and Marin CIL, this meant striking the right balance between their legacy and their future in several key areas.

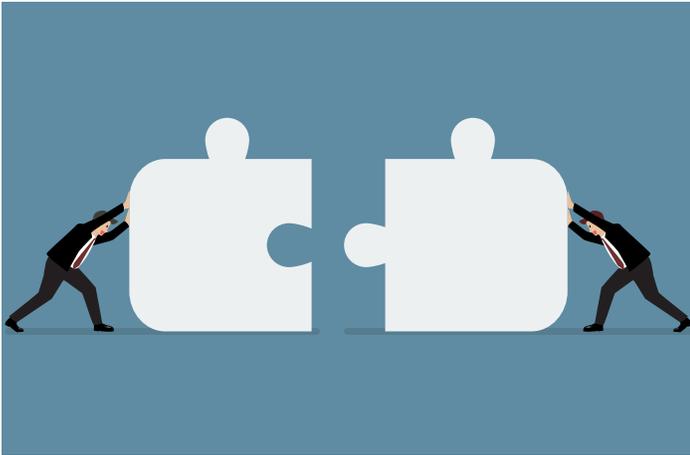
2 Health Research & Educational Trust. (2017). *Social Determinants of Health Series: Transportation and the Role of Hospitals*. Chicago, IL: [Author]. Accessed March 8, 2020 at <http://www.hpoe.org/Reports-HPOE/2017/sdoh-transportation-role-of-hospitals.pdf>.

3 Gier J. (2017). Missed appointments cost the U.S. healthcare system \$150B each year. Accessed March 8, 2020 at <https://www.scisolutions.com/uploads/news/Missed-Appts-Cost-HMT-Article-042617.pdf>

TWO CURVES, TWO TEAMS:

Recognizing that pursuing curve two would require not only more hands, but different heads than they had in their existing organizations, both Whistlestop and

Marin CIL used ABC infrastructure grant money to bring in outside talent who would be responsible for new, non-traditional initiatives.



This approach served two main purposes: it allowed the existing core team to remain focused on meeting the demands associated with the current model, and it ensured that the people tasked with innovation had the requisite skills and experience.

“We didn’t want our existing management team to take their eye off curve one,” explained O’Hehir. “For

example, we couldn’t expect our transportation general manager to lose focus on the 300,000 plus rides we provide each year. So, we used some of our ABC grant to hire outside contractors– first of all to do market analysis and assessment, and second to work on our strategy and business plan for addressing this new market opportunity.”

While Whistlestop would ultimately hire some of these individuals as full-time staff, starting with a team of outside contractors allowed the CBO to maintain clear lines between their core services and the development of a new model.

Marin CIL used external technical assistance to support the structuring of a strategic thinking team that was initially made up of the Marin CIL leaders, select board members, and a couple of outside advisors. The strategic thinking team, primarily operating as the organization’s innovation function, was tasked with **understanding and dissecting trends that could create opportunity (or threat), engaging in future thinking and forecasting, providing relevant expertise, acting as evaluators of concepts and potential new services, and developing unique messaging** that elevated the CBO’s exposure within the healthcare sector.

Additionally, Marin CIL engaged a consultant to help them design a curve two pilot with a local FQHC to

While setting up a curve two team can provide benefits in terms of focus, capabilities and expertise, CBOs run the risk that the rest of the organization will view curve two initiatives as wholly disconnected from the organization’s core operations. This can result in confusion, fear, uncertainty, or even envy among existing staff.

To counter development of these negative forces, both Whistlestop and Marin CIL engaged in ongoing strategic conversations with the board, employed clear and consistent communication with staff, and promoted transparency and dialogue across the entire agency about new initiatives.

offer person-centered care and housing preservation services (i.e., support for individuals who are precariously housed or at risk of losing their housing). The pilot placed particular focus on individuals with complex needs, including those with a traumatic brain injury, recently acquired disability, or homeless status.

To implement the pilot, leverage learning, and ultimately replicate the service arrangement with other healthcare organizations, Marin CIL brought on several “new guard” staff members. These new leaders were hired because they showed evidence of being **creative, technologically-savvy, adaptable, and passionate** about spreading person-centered care interventions. As Marin CIL Deputy Director Susan Malardino explained:

“We really hired the right people with the right values, with the right skills, that are in alignment with not just where we are at but where we’re going.”

NEW MODEL, NEW FUNDING:

The CBOs recognized that riding two curves effectively would require not only new human resources, but also new financial resources.

While curve two services – by definition – would ultimately be paid for by healthcare providers and payers, the CBOs faced the challenge of securing support for curve two work before they had proven their value to healthcare organizations.

Whistlestop raised capital to conduct several MARS (Missed Appointment Reduction Service) pilots as a way of proving the concept first to themselves and second to the healthcare organizations that could ultimately purchase the services. For example, Whistlestop pursued and secured a private grant to fund

a MARS pilot with a local FQHC, and they combined a private grant and a grant from a local community hospital to fund a MARS pilot with that hospital. On the heels of positive pilot results, Whistlestop decided to make a further investment in healthcare partnering work. As Joe O’Hehir explained, “And now we’ve actually put a five-year financing plan in place, and we’re borrowing about 1.5 million to fund our market growth opportunity in healthcare, because we do see there’s opportunity.”

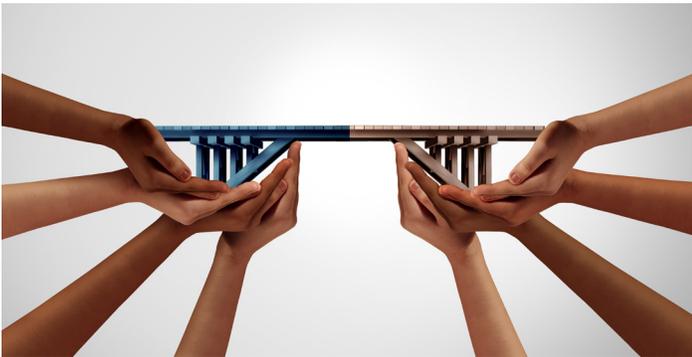
Marin CIL used grant funding to design an initial pilot with a local FQHC to offer person-centered care coordination and housing preservation services to individuals with complex medical needs. During implementation of the pilot, Marin CIL covered its own operating expenses, including staffing. After the initial pilot, both organizations agreed to share costs. Executive Director Gelardin explained, “Marin CIL was able to leverage funding through Marin Community Foundation’s ABC initiative to launch the pilot. As the successful pilot concluded and a partnership was formalized, the FQHC saw the value of our work and is now a financial partner in this effort.



Neither CBO lost sight of the fact that growth along the second curve will be funded by healthcare businesses. So, even as Whistlestop and Marin CIL leveraged their pilot studies into larger paid agreements with local healthcare providers, both set their sights on the larger opportunity that at this time lies with payers.

Given that payers work with entire networks of providers, one payer partnership has the potential to offer more scale than any single provider partnership in terms of both revenue opportunity and number of individuals served.

THE BRIDGE BETWEEN THE PAST AND FUTURE:



The second curve calls for organizations to build something fundamentally different – with different teams, different sources of funding, different business models, and more. But Marin CIL and Whistlestop both found that second curve innovation is most successful when it is aligned with the organization’s core purpose and leverages the organization’s proven capabilities.

Marin CIL’s Eli Gelardin describes the dynamic like this: “Everyone here is mission-focused, even when we’re doing innovative work. We never lose track of

our core purpose – that we’re here to help people who are experiencing hard times or struggling with social isolation. That underlying mission is what has driven us for 40 years and it’ll continue to drive us regardless of how our business model evolves over the course of the next 40.”

Embracing the organization’s legacy provides critical focus when it comes to identifying the right solutions to pilot and the strongest proposition for partners. Marin CIL’s no-wrong-door strategy has been successful, in part, because the CBO has been able to serve new populations through new relationships with Marin-area healthcare providers, in an established service area for which it has built a 40-year track record: care coordination and housing preservation.

Further, Marin CIL recognized that even if new partnerships would theoretically offer access to new types of clients – for example, individuals with complex needs requiring ongoing medical management – it would serve its partners and the community at-large best by staying focused on the clients it already knew best: those struggling with social factors who need more routine check-ins and follow-ups.

Similarly, Whistlestop identified a strong match between one of their core services – transportation – and missed appointments as a significant pain point for healthcare providers and payers. “You can build the best healthcare system in the world, but you won’t be very effective if people can’t get to it,” said O’Hehir. “We saw that healthcare companies understood the value of transportation services like what we offer but didn’t necessarily want to get into the business themselves. We’d already had 50 years’ experience in transportation and through pilot studies could make the case that we could help our partners reduce the number of missed appointments among their patients.”

RAISING STANDARDS TO MEET RISING EXPECTATIONS

In exploring new models for new markets, CBOs must recognize that they are entering a very different ecosystem of customers, collaborators and competitors. Thriving in this new, larger landscape requires CBOs to evolve not only their service offerings and business models but also the way they think about the market, craft and communicate their value proposition, use data to support business development, and evolve their infrastructure.

UNDERSTANDING NEW COMPETITION:

Competing for healthcare funding for social service delivery often means competing with for-profit alternatives that have scale and are able to provide regional or national solutions to healthcare payers and providers. **Understanding the wider competitive landscape becomes a critical capacity for CBOs looking to succeed amidst pressure from national organizations, for-profit startups, and the 'build vs. buy' decisions that healthcare businesses make every day.**



After losing a transportation bid to a lower-cost, for-profit competitor, Whistlestop's Joe O'Hehir real-

ized, "This is one of the harsh realities of competing with for-profits for cross-sector business. They have deep pockets and deep balance sheets, so they can afford to undercut our pricing." Given this, it is important that CBOs learn to compete not on price but on differentiators like quality of service, longevity and track record, and local market knowledge and expertise.

At the same time, CBOs should consider ways to collaborate with potential competitors. For example, Whistlestop collaborated with a for-profit ridesharing company and a for-profit gurney transportation provider in its MARS pilots and continues to explore new opportunities with these same collaborators.

COMMUNICATING VALUE:

When they began engaging with healthcare organizations, Marin CIL found that – despite decades of success in core services like care coordination, care transitions, home modifications, and resource navigation– they struggled to convey their value in a way that would appeal to decision-makers. **This realization led them to rethink the ways in which they tell their story, communicate their value, and make their business case.** Among other things, Marin CIL developed new marketing materials, a new website and even a new logo that put the benefits of their services into a healthcare context.

BECOMING MORE DATA-DRIVEN:

Every CBO knows, it's all about outcomes. And when it comes to measuring outcomes and proving value to funders and partners, data is the key. "Data tracking and data collection, data sharing, and technology are ongoing challenges" for CBOs, according to Marin CIL's Eli Gelardin.

In fact, Marin CIL has put data strategy at the core of its cross-sector partnership approach. “We were very deliberate in building data protocols to enhance the effectiveness of our pilot. We worked out data sharing strategies before jumping into the financial arrangements. We learned early in the process that we need to start with a clear sense of what we are trying to achieve and the corresponding outcomes to measure, where the necessary data will come from, who will analyze it and how data will be shared between partners.”

INVESTING IN THE RIGHT INFRASTRUCTURE:

Naturally, collecting and analyzing data require hardware and software infrastructure – but these are just two areas in which CBOs may need to consider investing in technology infrastructure to support curve two work. Marin CIL and Whistlestop both found that building and running second curve services required updated and upgraded IT infrastructure.

First, by implementing Basecamp project management internally, **the organization was able to streamline process and track performance** as it developed its new curve two strategy. Second, it could **deliver services at a higher standard** and better meet the expectations of healthcare partners by automating ride scheduling and tracking.

Joe O’Hehir explained: “We needed a new software system to support this MARS product for the healthcare field, meaning a better scheduling and tracking system. When a MARS client called in, we needed a system that would permit us to book a passenger ride, communicate continuously with the client, and track that ride to its destination.” Whistlestop was able to secure a capital grant to purchase the new software needed for MARS.



Whistlestop, in particular, found that investing in new technology could create advantages in two key areas.

WHAT'S NEXT?

Marin CIL's pilot project with a local FQHC to provide person-centered care coordination and housing preservation services for individuals with complex needs demonstrated positive outcomes pertaining to social determinants of health. This enabled Marin CIL to negotiate a new contract with the FQHC for care coordination and housing preservation services that has recently begun implementation.

As Marin CIL looks to the future, it retains a commitment to its curve one core social services, with funding from public and private grants, while also pursuing the implementation of the larger-scale, curve two system of coordinated care delivery via a network of CBOs in partnerships with healthcare organizations.

As Marin CIL's Aging and Disability Resource Connection (ADRC) Service Coordinator Julia Hales explained, "It's not that any of Marin CIL core services are going anywhere, we are just seeing the need for services like what we offer to be delivered at scale, and in response we are creating a coordinated system of social care delivery that brings common language and cohesion between healthcare organizations, community based organizations and independent living centers."

Whistlestop also remains committed to simultaneously riding two curves. In fact, each curve has an important role to play in the ongoing and future growth of the organization. **By continuing to evolve their core programs (curve one), Whistlestop aims to double the number of people they serve by 2022. This milestone corresponds to a key milestone on curve two as well, with the organization targeting a mid-2022 opening for their healthy aging campus.**

Opening the campus doesn't mark the culmination of Whistlestop's revolutionary ambitions; it's just one in a long line of social service innovations on their long-term plan for reinventing their offerings. Reading the signals of change and leaning into emerging demands from healthcare organizations, **Whistlestop is planning to expand upon their transportation pilots and offer services in collaboration with payers; develop their next big ideas for nutrition and housing; and expand their work into nearby Sonoma and Solano counties** to meet the needs of their healthcare partners who are working in those geographies.

Whistlestop's startup-style roadmap is matched by another startup-style realization: that it may be another five years before they see a positive return on investment (ROI) from these initiatives. As O'Hehir put it,

"This is a marathon, not a sprint.

Any CBO looking to implement a two curve strategy needs staying power.

It's a long-term, multi-year commitment.

You have to have your leaders and your board bought into that. You have to have your funders bought into that. And you

need to have both the talent and the financial capacity to be able to stay the course over the length of time that curve two strategy can take to pay off."

IF YOU ARE A CBO

- Even when faced with sweeping change and while building toward the future, **stay true to your organization's mission and core values**, as these will provide the clarity that guides you to sound strategic decision-making and a foundation that ensures that you never lose site of the community you serve and the value you provide.
- Recognize that this is a long journey requiring **patience, persistence, commitment and focus**. A two-curve strategy is a marathon, not a sprint – push past obstacles, endure strain on your capacity, and prepare for slow return that may not come until years after you begin.
- **Build the right teams**. You will likely need separate teams responsible for the two curves, instead of expecting the same team to handle it all. It's also vital that you make the most of the right people at the right time – even if this means hiring from outside the organization or tapping expert consultants to bolster skills that are underrepresented in your own team.
- **Consider creative financing strategies** (such as securing growth capital or shoring up reserves to take risks) to finance the changes required to pursue both curves simultaneously. It is important not to put your organization in a position where you need to take money from your core services (curve one) to fund new initiatives (curve two). On the other hand, don't starve curve two by under-allocating money and resources.

IF YOU ARE A FUNDER

- **Provide funding to CBOs that recognizes the full costs** for them to deliver on their missions.
- **Encourage the development of strong reserves** that provide CBOs with access to capital for risk-taking.
- **Invest in capacity-building supports** that prepare CBOs to transition to the second curve.
- **Fund advocacy efforts** that accelerate changes incentivizing cross-sector partnership.
- Anticipate that today's investments in curve two initiatives will not achieve immediate return on investment; **look to measure return—including increased revenue and improved health outcomes—over the long term.**

THE DUAL BENEFIT



Accelerating Business Capacity of Aging Service Providers

LEARNING BRIEF #3

This learning brief is one in a series of three that collectively showcase the accomplishments, challenges, and learnings of five community-based organizations that participated in the Marin Community Foundation's Accelerating Business Capacity of Aging Service Providers (ABC) initiative. The ABC initiative was a three-and-half year program designed to build business acumen among Marin County, California older-adult service providers committed to pursuing and securing partnerships with healthcare organizations. For more background on the initiative, please see page 1 of Learning Brief #1.



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THE DUAL BENEFIT

Possessing and deploying new capabilities in traditional domain areas is a prerequisite for organizations to acquire new client types in new sectors. This is particularly true for community-based organizations (CBOs) that aim to design, implement, and sustain effective healthcare partnerships. Strengthening competencies in traditional domains such as leadership, market knowledge and foresight, strategy and planning, control and performance management, and financial acumen isn't unfamiliar to CBOs, but doing so in order to acquire and maintain business within the fast-moving environment of healthcare differs in a variety of ways.

Learning and applying new skills within traditional competency areas in order to secure and sustain viable partnerships with healthcare organizations is not a straightforward, stress-free journey. In the long run, however, developing these new skills will help CBOs not only create revenue generating opportunities with healthcare partners, but develop proficiency in confronting new obstacles, compete more effectively, and

flourish in a rapidly changing social, political, and economic environment.

As captured in this brief, three Marin County CBOs – **LifeLong Medical Care (LifeLong)**, **Marin Center for Independent Living (Marin CIL)**, and **EAH Housing** entered the Accelerating Business Capacity of Aging Service Providers (ABC) initiative with the intent to gain new competencies essential for partnering with healthcare organizations. Along the way, **they discovered that many of their newfound capabilities had a dual effect through which they became stronger social sector organizations** with improved prospects for sustainability, well beyond their healthcare partnering efforts. This brief highlights some of the dual effects these organizations have experienced, or are poised to experience, as a result of competency growth in the four domains in which they have shown the greatest advances – leadership, market knowledge and foresight, strategy and planning, and control and performance management.



LifeLong Medical Care lifelongmedical.org

- Federally Qualified Health Center (FQHC)
- Serves 66,000 individuals annually in three San Francisco Bay Area counties
- Medical, dental, behavioral health, and social services
- Has an Adult Day Health Center (ADHC) in Marin County that was the focus of the organization's ABC work

Marin Center for Independent Living | marincil.org

- Founded in 1979
- Provides person-centered care coordination and housing preservation services and engages in advocacy for older adults and persons living with disabilities
- Recently became the ninth Aging and Disability Resource Connection (ADRC) in California

EAH Housing | eahhousing.org

- Founded in 1968, develops, manages, and promotes quality affordable housing for low-income families, older adults, persons with disabilities, veterans, and the formerly homeless.
- One of the largest not-for-profit affordable housing organizations in the western U.S., operating in 21 counties in California and Hawaii
- Provides and coordinates a range of health, nutrition, education, community-building, and civic engagement services for residents through a service delivery model known as *StayWell!*

LEADERSHIP

CBOs that are successful in pursuing and securing partnerships with health care organizations have something in common. They understand that great leaders can be made, and they commit to preparing and developing their leadership teams to acquire and apply the competencies needed to create viable partnerships. The **leadership capacity** that lays the groundwork for successful health care partnering includes proficiency in stimulating the conception of **innovative business ideas; an entrepreneurial outlook to invest in these new ideas; an ability to negotiate mutually beneficial partnerships; and competency to effectively activate change while motivating others to execute it.**

For LifeLong, Marin CIL, and EAH Housing, it was important to cultivate this kind of leadership capacity at multiple levels within their organizations. With two of the organizations having long-term CEOs on the cusp of retirement and the third organization in rapid growth mode, they understood that for their health-care partnership strategies to be sustained, emerging leaders would need to be equipped with new knowledge and skills that would permit them to assume more responsibility.

As such, **the three CBOs committed to having their core leadership teams – and other staff, as they deemed appropriate – involved in capacity-building opportunities available within and outside the ABC initiative.** They focused their leadership capacity-building in two important areas: (1) advancing their existing leaders' skillsets and deploying those skills to lead and manage change; and (2) augmenting their existing leadership teams with new senior-level talent that could bring fresh experience and expertise into the organization.

LifeLong supported the growth of its existing team with ongoing leadership training opportunities. As Kathryn Stambaugh, Geriatric Service Director, explained: "For more than 40 years, LifeLong's widely-known and beloved CEO was instrumental to our agency's strategic growth and healthcare partnerships. His impending retirement created a strong impetus – and opportunity – to develop and elevate new leaders across our organization." LifeLong also attracted new leaders to fill high priority roles. For example, they brought in a new ADHC Program Director with a vision to "move beyond the four walls" of the facility and establish stronger connections within the organization and throughout the community. Not only has the new Director been successful in building relationships with external peers, she has improved staff morale and retention within the ADHC.



Marin CIL brought in four new board members and a new generation of leaders with outside experience and desirable business skills. At the same time, they formalized workforce development processes and built sustained education and communication programs to address organizational change.

EAH Housing expanded and bolstered its services team, the Resident Services Department, by hiring new services staff and elevating the profile of internal leaders on the services team as drivers of organizational change. In addition, under the leadership of a new President and CEO, EAH Housing has focused

on strengthening a sense of shared purpose across the organization, refining the strategic direction, and pursuing partnerships with healthcare organizations as a pathway to achieving its long-term vision. “We know that good health and the well-being of our residents are directly related to keeping low-income families and seniors in their homes,” said Laura Hall, President/CEO. “Healthy communities are good business.”

The leadership initiatives described above strengthened the CBOs in ways that both positioned them for more effective cross-sector partnering and provided them with the talent and tools needed to advance in other important competency domains.

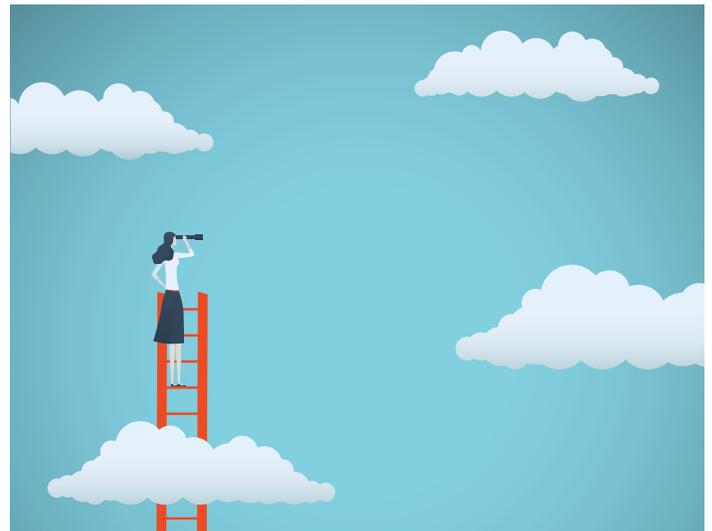
MARKET KNOWLEDGE AND FORESIGHT

Market knowledge involves a fundamental understanding of the external trends in demographics, local and national healthcare policies, potential competitors and collaborators, and emerging technologies that are fueling cross-sector partnership opportunities. Foresight requires not only having fundamental market knowledge but engaging in a disciplined, ongoing practice of scanning the landscape in search of signals of change, detecting and dissecting patterns, and interpreting the data to improve forecasting of future possibilities. **Cultivating a foresight practice stretches organizations to imagine and profile a multitude of futures, which is important when navigating a new and rapidly evolving environment such as healthcare.** CBOs with advanced competencies in this domain have developed and put into practice systematic processes for recognizing, analyzing, and anticipating emerging market changes, threats, and opportunities.

Kathryn Stambaugh, LifeLong’s Geriatric Service Director, knew that more robust market knowledge would be vital for answering two fundamental questions about her organization’s role in their local community:

“What is it that we really do well?
And where do we fit in this market?”

To answer these questions, LifeLong conducted a market assessment of local demographics, services offered by similar organizations, and challenges that hospitals, skilled nursing facilities, and health plans were facing in the local market and beyond. Putting the resulting marketing knowledge to use, the leadership team identified future possibilities related to gaps in services that could ultimately represent emerging opportunities for LifeLong. These included podiatry, comprehensive care management, and behavioral health services.



For each opportunity area, the leadership team examined the potential service (or model), defined the target population and potential clients, outlined an implementation plan, and established a definition of success. They also identified resource requirements, conducted a financial analysis, and identified sources

of reimbursement. After systematizing this information for each candidate opportunity, the team scored each area according to eight criteria: (1) market demand, (2) investment required, (3) potential ROI, (4) potential partners, (5) competition, (6) growth opportunity, (7) alignment with organizational mission, and (8) overall feasibility.

As a result of this process, LifeLong was able to produce detailed project plans, engage with healthcare organizations, secure a new partnership agreement, and negotiate a second agreement that is poised to be signed. Both agreements focus on services identified and evaluated through LifeLong’s market and opportunity assessment. Insights from the assessment have also informed how LifeLong’s ADHC Program Director conducts outreach, resulting in improved awareness of ADHC services.

The near-term impact, according to Chief Administrative Officer D.L. Poole is that “overall, Adult Day is more financially viable than it was before.” The long-term impact is just as significant. LifeLong’s new market knowledge and the ability to deploy a process of evaluating opportunities will permit the organization to make informed decisions about which prospects to pursue, and dedicate resources wisely to improve service delivery and achieve bigger outcomes in the community.

STRATEGY AND PLANNING

Competencies in Strategy and Planning allow CBO leaders to translate Market Knowledge and Foresight into forward momentum. Although Strategy and Planning competencies are not unfamiliar to CBOs, developing a strategy to secure business from a new client type such as a healthcare partner involves sharpening strategic thinking and planning skills and doing so with a faster pace and increased frequency. Designing

and implementing a healthcare partnership strategy can be very different from developing strategy to address programmatic challenges and refinements. A healthcare partnership strategy involves an outside-in orientation in which there is greater accountability for delivering value, as defined by the healthcare partner (for example, improved health outcomes at lower cost).



Developing Strategy and Planning competencies in the context of healthcare partnering can provide additional benefits to CBOs by influencing how they approach and design other strategic planning efforts. For example, organizations may put in place improved decision-making processes regarding opportunities to pursue, establish new communications systems to support pursuit of projects, set higher expectations for project implementers, and pay more attention to financial modeling. Such actions can increase the likelihood of project success.

Through their work in ABC, Marin CIL and EAH Housing each built a range of Strategy and Planning competencies that have contributed to new revenue, greater organizational reach, and targeted possibilities for continued service expansion to new clients.

Marin CIL formed a **strategic thinking team** comprising Marin CIL leaders, select board members, and a couple of outside advisors who worked together to develop a new vision with a corresponding strategy and a set of objectives through 2025. The strategy emphasized three focus areas for the organization: (1) service model enhancement, including improved long-term services and supports (LTSS) coordination among a network of CBOs; (2) healthcare integration to reduce gaps in service delivery and improve health outcomes for the populations Marin CIL serves; and (3) political advocacy to elevate the need for Long Term Services and Supports (LTSS) payment mechanisms in California.

In developing the new strategy, it became apparent to Marin CIL that they needed to bolster strategic thinking (and doing) capacity at the board level. Executive Director Eli Gelardin explained,

“We needed to build strategic capacity at all levels within the organization and bring in additional expertise with an understanding of the local healthcare environment and deep business experience.”

The Marin CIL leadership team developed a matrix of strengths and gaps in board composition and then recruited four new board members who possessed skills and experience in strategic planning, healthcare, collaborations, and mergers.

With enhanced Strategy and Planning competencies at the leadership level and new directors in the boardroom, Marin CIL has been able to make strategy decisions that have led to measurable progress toward all of their strategic objectives. They advanced in the healthcare integration area through executing a successful pilot and signing an additional contract with a local FQHC for care coordination and housing preser-

vation services. In the area of service model enhancement, Marin CIL earned status as California’s ninth Aging and Disability Resource Connection (ADRC) and obtained funding from the County of Marin



Aging and Adult Services to support their care coordination work. Under their strategic objective around new financing mechanisms for LTSS at the state level, Marin CIL has been serving on California Master Plan on Aging workgroups and exploring LTSS benefits for middle-income Americans. Success in creating new funding sources for LTSS sets the stage for Marin CIL and its CBO partners to further expand services for Marin County older adults and people with disabilities.

Overall, heightened Strategy and Planning competencies have helped Marin CIL position itself for future success. As ADRC Service Coordinator Julia Hales explained:

“We are strategically positioning ourselves to be a community provider of long-term services and supports, so we can better meet the needs of our community now and into the future, which in turn enhances our long-term organizational sustainability.”

EAH Housing’s Strategy and Planning work focused on improving their skills in communicating and promoting their model of housing with resident services

coordination – called *StayWell!* – to healthcare organizations and other external stakeholders. As EAH Housing Vice President of Communications Susan Dutton summed up, “ABC taught us how to present ourselves.” This was an opportune time for EAH Housing to be developing competencies that would enable the organization to promote *StayWell!*, as the healthcare field was increasingly recognizing that housing and housing-related services can improve health outcomes and reduce healthcare expenditures.¹

Through ABC, EAH Housing cultivated their branding competency by establishing a clear understanding of what their existing brand identity conveyed, and by embracing a willingness to enhance their brand identity or even re-brand programs to correspond to their strategic direction. An output of this effort was a new tagline – “*A roof is just the beginning*” – communicating that EAH Housing was not just about building housing. They also created new marketing materials and speaking points to convey the ways in which *StayWell!* addresses social risk factors that negatively affect health outcomes. EAH Housing concept-tested their messaging with their board and with healthcare organizations during ABC and used the feedback to improve their message. To disseminate communication skills throughout the organization, **EAH Housing trained all of their staff on the new messaging and the associated marketing materials through their organization-wide EAH University.**

Their refreshed brand messaging and improved ability to communicate value helped EAH Housing advance discussions with a regional healthcare system about co-designing and building low-income housing with services. It also helped increase their success rate

in responding to government-sponsored funding opportunities. CEO Laura Hall described the positive outcomes as follows:

“Our ability to position *StayWell!* and ‘a roof is just the beginning’ in proposals and presentations has resulted in millions of additional dollars toward development in the past three years.”

Recently, two city governments have approved EAH Housing proposals for new projects in which *StayWell!* will provide key services to older adults and other residents. *StayWell!* provides added value to current and future funders by strengthening the long-term sustainability of EAH Housing affordable communities.

CONTROL AND PERFORMANCE MANAGEMENT



CBOs that are pursuing healthcare partnerships often set high expectations for what they will achieve. These expectations may include bringing a board-endorsed healthcare partnership strategy to fruition, with the aim of generating new revenue; fulfilling contractual obligations to a new healthcare partner that is investing in the CBO’s services to improve health outcomes;

1 Taylor L. (2018; June 7). Housing and health: an overview of the literature. *Health Affairs Health Policy Brief*. Accessed May 20, 2020 at: <https://www.healthaffairs.org/doi/10.1377/hpb20180313.396577/full/>.

or launching a new service to fill a gap in the market while simultaneously bolstering CBO viability. When expectations for healthcare partnering are high, the adoption and deployment of performance-oriented control systems and practices are vital. Performance-oriented control systems and practices that enhance the chances of achieving these high-stake potentials include the establishment of SMART (i.e. specific, measurable, attainable, relevant and timely) goals, the implementation of systems for monitoring and evaluating associated processes and outcomes, and the creation of a culture of accountability whereby individuals are assigned responsibilities, and actions are quickly taken to address poor performance.

To enhance the likelihood of achieving one of their strategic goals – converting a pilot project with a healthcare organization into a revenue-producing arrangement **– Marin CIL knew that they needed to improve their control and performance management competencies.** This improvement was particularly crucial in the area of monitoring and evaluation (M&E), which would help Marin CIL demonstrate the utility of their services in creating better health outcomes, not only to their pilot project partner, but also to future healthcare partners and funders in other sectors.

When Marin CIL entered into a pilot project to provide care coordination and housing preservation services for a local FQHC, the FQHC was seeking to test social services as a mechanism to engage high- and medium-risk patients in addressing their health and social care needs. Marin CIL was interested in validating that their services could improve social conditions, such as lack of access to transportation and social isolation, that influence health outcomes. **To assess changes in social conditions and to further make the case for the utility of their services to the FQHC, Marin CIL**

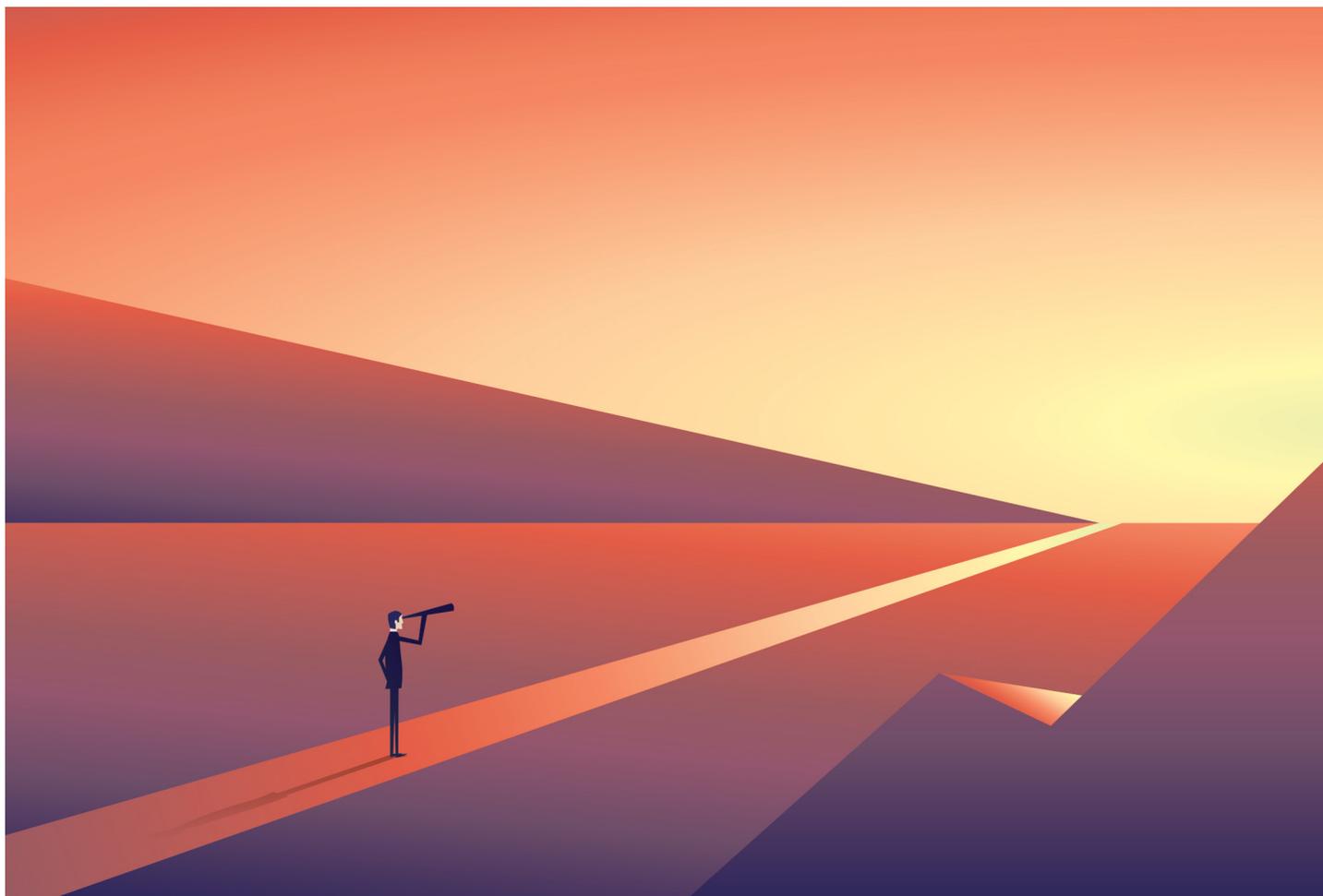
decided to design and deploy a pre/post client survey. The survey measured changes in clients' ability to perform activities of daily living, access to transportation, sense of social connectedness, sense of safety where they live, satisfaction with quality of life, and self-assessment of overall health and well-being.

The survey revealed that the pilot project was successful in improving activities of daily living, increasing access to transportation, and reducing social isolation. The results were compelling to Marin CIL's FQHC partner. The two organizations have transitioned from a pilot phase to a contractual phase with the goal of continuing to address social factors that can influence health and healthcare outcomes. **Marin CIL continues to implement the pre/post client survey and is also tracking clients' progress toward their individual goals related to social needs,** such as securing stable housing, acquiring social security benefits, and acquiring CalFresh (Supplemental Nutrition Assistance Program) benefits.

Marin CIL has applied their expanded M&E competencies to other efforts, such as collecting and analyzing data from their ADRC clients through a pre/post survey process with the intent of creating a model for other ADRCs to collect similar data. With more ADRCs collecting and pooling data, a stronger advocacy message can be articulated in favor of new statewide LTSS payment mechanisms in California. As Marin CIL Executive Director Gelardin explained,

“Through the building of our business acumen, and the adoption of outcomes-driven testing of pilot partnerships with payers and providers, we’re building greater capacity to influence policy and decision-making as the state really wrestles with how to support an aging and disabled demographic.”

New LTSS payment mechanisms would provide additional funding streams for Marin CIL and other social service agencies to better address social needs of older adults and people with disabilities and in turn improve their health outcomes.



LOOKING AHEAD

Each CBO has expanded their skills in a number of competency domains that are essential for creating new business opportunities with the healthcare sector. Their broader application of these new competencies has begun to yield not only advances in healthcare partnering work but positive effects on organizational strength and sustainability.

Full deployment of the competencies takes time and an ongoing practice. At the time this brief was being finalized, the organizations were facing a multitude of new challenges due to the COVID-19 pandemic. Responding to the pandemic presented an immediate need to amplify the use of the skills they had been cultivating, such as rapidly assessing community need, pivoting and redesigning services, and working across organizational boundaries to serve shared populations. It was a real moment to practice developing and deploying competencies with dual-effect potential. As the CBOs move from pandemic response to pandemic recovery, opportunities to further develop and apply such competencies are likely to increase, resulting in additional ripple effects on the organizations.

IF YOU ARE A CBO seeking to build dual-effect capabilities...

- **Identify existing capabilities within traditional domains** that can be leveraged to secure business with the healthcare sector, and then assess what additional competencies crucial to healthcare partnering need to be built.
- **For the competencies that need to be built**, identify which can be developed in-house within an appropriate timeframe and which would best be built by bringing on new employee or consultant talent.
- **Don't try to build all of the identified competencies at once.** Focus first on those that are foundational for the development of other competencies, such as leadership skills, and those that, once acquired, would provide the strongest dual effects for both healthcare partnering and overall organizational effectiveness.
- **Ensure that the building of dual-effect competencies is included** in your organization's board-approved strategic plan; this will help ensure a focus on this activity at all levels of the organization.
- **Develop and implement a capacity-building plan**, but recognize that iterations will be needed, given the evolving nature of the new skills needed to acquire new business within a new sector.
- On a regular basis, **identify opportunities to apply competencies** that are essential for healthcare partnering to other aspects of the organization's work.

IF YOU ARE A FUNDER investing in CBO capacity-building initiatives...

- **Conduct an organizational capacity assessment** that is specific to healthcare partnering to help CBOs establish a baseline, determine the focus of their capacity-building plans, and inform the design of the capacity-building initiative.
- **Design the capacity-building initiative with an understanding** of the current state of the participating CBOs' competencies and a clear vision of the potential dual effects for the CBOs.
- **Create a balance by focusing on building both capacities specific to healthcare partnering** (e.g., developing the business case, communicating value to health sector leaders) and broader organizational development areas (e.g., change activation, systems leadership, and project management).
- **Utilize a combination of capacity-building methodologies** (coaching, peer-to-peer learning, convenings, learning tools) and a variety of technical assistants (healthcare professionals, business leaders, peers, subject matter experts) to support robust learning.
- **Provide tailored technical assistance for CBO CFOs and/or their finance teams**, considering that the financial acumen required to ensure viable contracts with healthcare partners is a complex and an underdeveloped capability for many CBOs.
- **Recognize that investments in dual-effect competencies may take time** to yield evidence of measurable benefits.