

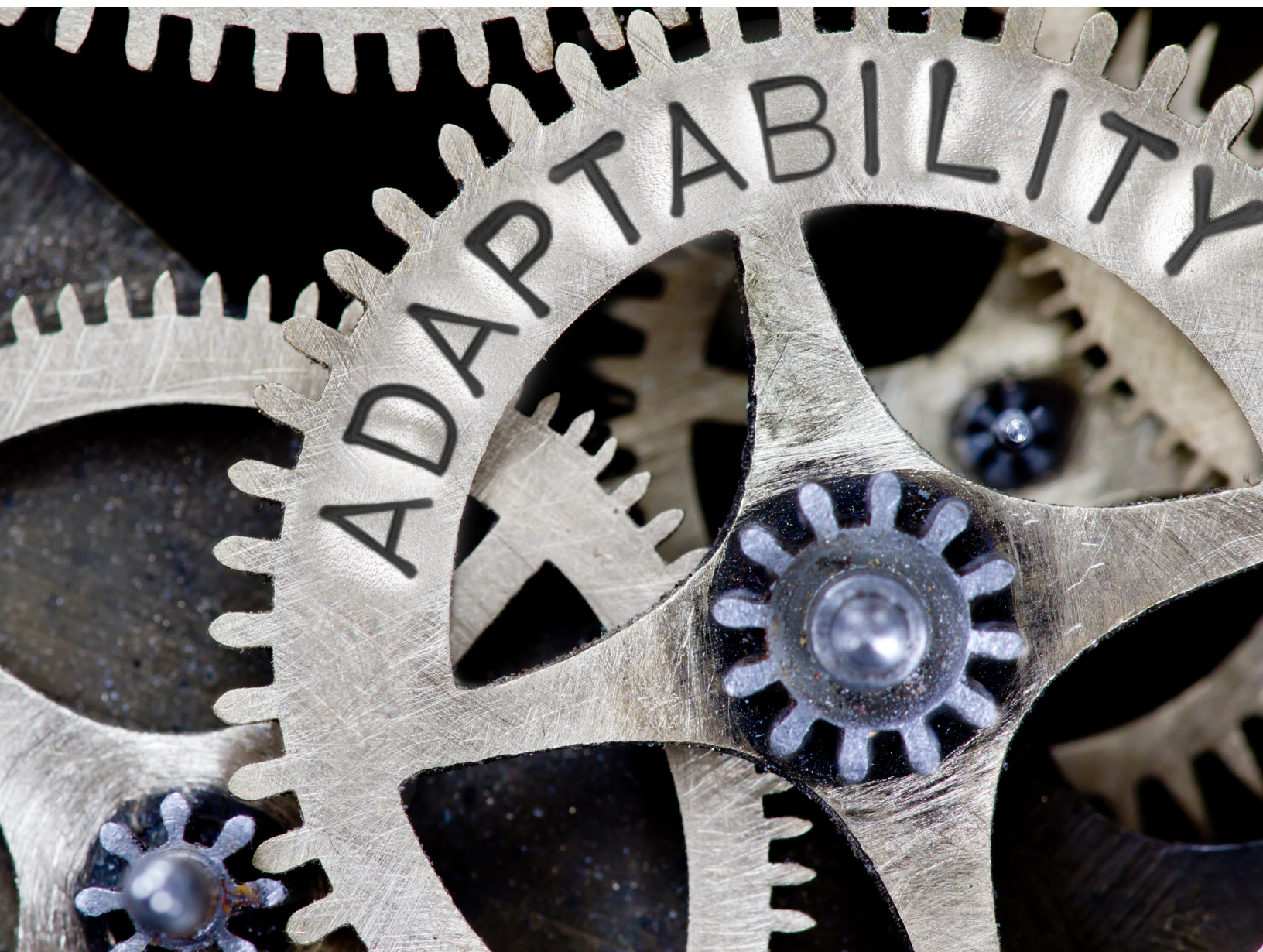
THE ADAPTIVE ADVANTAGE



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.



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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.

A handwritten signature in black ink, appearing to read 'Thomas Peters', with a long horizontal line extending to the right.

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 health-care 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.

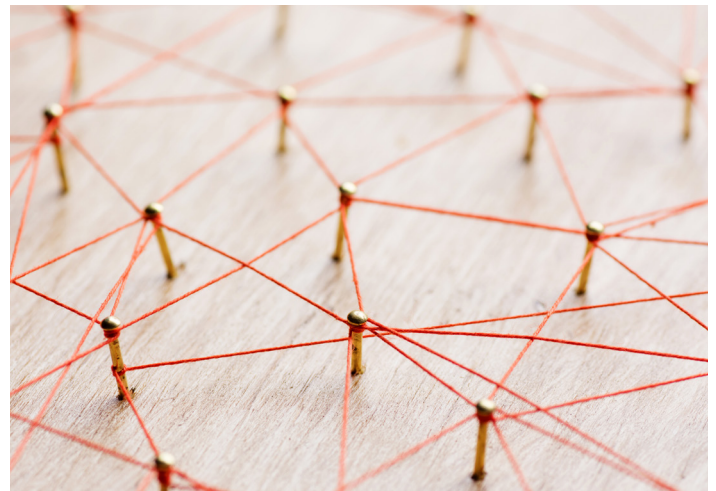
present a value proposition using ABC initiative tools and activities. In reflecting on the value of the new business competencies for partnering work, Chief Administrative Officer D. L. Poole expressed:

"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.