

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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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.

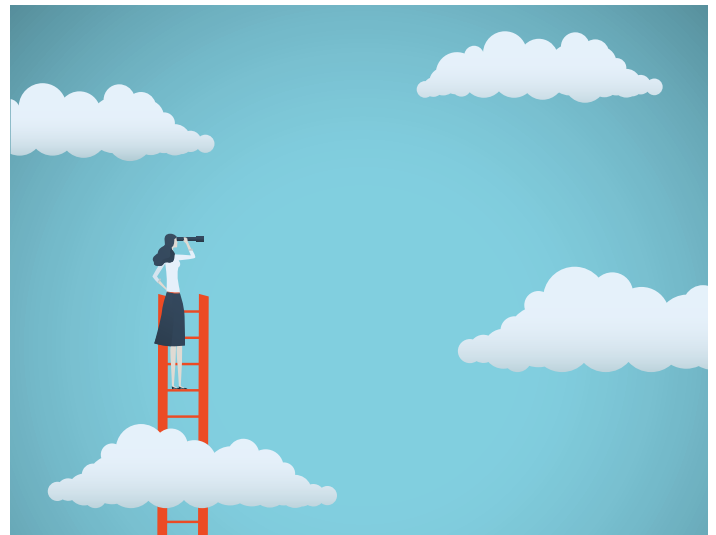
MARKET KNOWLEDGE AND FORESIGHT

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.