Business Acumen 101: Modernizing Your Community Based Business in a Changing Environment

April 26, 2017
Welcome

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Welcome!

- Growth of Managed Long Term Services and Supports (MLTSS) and Efforts to Promote Sustainability of Community Based Organizations (CBO)
- Business Acumen and CBOs
- Business Acumen for Disability Community-Based Organizations Grant
- Environmental Scan and Needs Assessment Survey
Managed Long Term Services and Supports (MLTSS) is...

- An arrangement between State Medicaid programs and contractors through which the contractors receive capitated payments for LTSS and are accountable for quality, cost and other standards set in the contracts.
- Capitation can be for all services or selected services.
- Contractors can be local, regional or national.
- LTSS populations include persons with age-related, physical or intellectual/developmental disabilities. Many of these also have serious mental illness.
MLTSS: Changing the Delivery of Care

- Delivery system reform plays a major role in shaping state Medicaid Programs, including LTSS
- Number of states are turning to Medicaid Managed Care
- Broad and flexible set of program design options
- Coordination for better health outcomes
- Efficient coordination for dual eligible people
Why now?

- State budget deficits
- Growth in Medicaid spending
- Current LTSS spending trends are unsustainable
  - People receiving Medicaid LTSS represent only 6 percent of the Medicaid population, they account for a disproportionate share of Medicaid spending – nearly half of Medicaid spending overall
- ACA: Incentives to states to develop new service delivery and payment models
  - MMCO financial alignment, medical homes/health homes; 2014 Medicaid expansion
- Current system issues:
  - FFS incentives to maximize expensive services, institutional bias, inflexible service packages, etc...
Growth of MLTSS

States using MLTSS doubles between 2004 and 2012, growing from 8 to 16 states.

MLTSS spending increases by 55% in FY14, from $14.5 B to $22.5 B.

MLTSS accounts for 15% of LTSS spending.

As of October 2016, 21 states had MLTSS programs with 8 states planning to move in that direction.

States with MLTSS
CBOs and MLTSS: Responding to Change
Community Based Organizations

- What is a Community-Based Organization?
  - Local organizations that offer community living services and supports to advance the health, well-being, independence, and community participation of older adults and people with disabilities and may include:
    - Aging and Disability Resource Centers
    - Behavioral health organizations,
    - Centers for Independent Living,
    - Developmental disability organizations,
    - Protection and Advocacy Agencies,
    - University Centers for Excellence in Developmental Disabilities Education, Research & Service
    - Faith-based organizations,
    - Area Agencies on Aging,
    - Aging services organizations,
    - Native American tribal organizations,
    - Nutrition program providers, and
    - Other local service providers for persons with disabilities and/or older adults
• CBOs have formed the backbone of the LTSS system for the last thirty years
• Well-suited to provide key support services
• Opportunity to reinvent and reset expectations

• Partnering with States and Payers:
  • Contract for services
  • Demonstrate value and quality
  • Offer choice and self-determination
  • Provide outreach and education
CBOs – Vital to MLTSS success

- People and their families cannot afford to see the existing delivery system completely diminished
- New expectations can be set based on customer needs and desires
- CBOs well-suited to provide key support services
  - drawing on their core competencies,
  - their visibility within their communities
  - their historical strengths.
- Based on CMS 2013 guidance on MLTSS, states will need
  - new consumer education
  - enrollment and advocacy infrastructure
  - opportunities for CBO business development
In life, change is inevitable. In business, change is vital.

Warren G. Bennis
Community Based Organizations:

- know change is not a new concept.
- have the ability to adapt, learn and grow to better meet the needs of people with disabilities and older adults.
- often began as a group of families getting together to develop services for their children.
- have been able to adapt their business models to meet the increasing demand of people leaving institutions and opting for services in their community.
- have been responsible for inspiring social change in their local communities.
  - Independent Living
  - Employment
  - Use of Technology
  - Self-Directed Services
  - Person-Centered Thinking
  - Person-Driven Care
Change

OK, THERE IS A SMALL CHANGE... RED BAG HAS THE SANDWICHES GREEN BAG IS YOUR PARACHUTE.
National Efforts to Establish Sustainability of Community Based Organizations
The Administration on Community Living (ACL)

- The Administration on Community Living is an organization created by the US Department of Health and Human Services (HHS)
  - Includes: Administration on Aging, the Administration on Intellectual and Developmental Disabilities, and the HHS Office on Disability
  - Federal agency responsible for increasing access to community supports, while focusing attention and resources on the unique needs of older Americans and people with disabilities across the lifespan.
ACL Goals for CBO’s and MLTSS

- Desire to ensure that CBOs are part of the evolving service delivery system and that their significant knowledge and experience serving people with disabilities is preserved.
  - Provide framework for effective response and network development to:
    - deploy evidence-based programs and
    - build state and CBO business capacity
Why Business Acumen Matters

Integrated Care Opportunities

- Accountable Care Organizations (ACOs)
- Health Homes
- Medicaid Managed LTSS (MLTSS)
- State Innovation Models
- Community-Based Care Transitions Program (CCTP)
ACL & Business Acumen for CBOs

ACL, in partnership with foundations, is providing aging & disability organizations with the tools they need to partner and contract with health care payers and providers in delivery system reform.

2012: Grants to national partners to build the business capacity of aging and disability organizations for MLTSS

2012 - Present: Engagement with public and private partners

2013-2016: Business Acumen Learning Collaboratives

Fall 2016 & beyond: New technical assistance opportunities

ACL, in partnership with foundations, is providing aging & disability organizations with the tools they need to partner and contract with health care payers and providers in delivery system reform.
Business Acumen for Disability Network Community Based Organizations
What is Business Acumen?

- Keenness and quickness in dealing with and understanding a business situation in a manner that is likely to lead to a good outcome.
• **Understanding:**
  • The market
  • Your competitors
  • Your value/business case

• **Knowing how to:**
  • Forge relationships/partnerships
  • Sell your services/negotiate your contract
  • Ensure scalability/volume
  • Address quality/performance management/accreditation
Business Acumen for Disability Organizations

• Goal/Vision:
  • Build the capacity of disability community organizations to contract with integrated care and other health sector entities
  • Improve the ability of disability networks to act as active stakeholders in the development and implementation of integrated systems within their state

• 3 years
  • October 1, 2016 – September 30, 2019
Business Acumen Grant Partners

- Partner Organizations

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Business Acumen Objectives

- Develop baseline knowledge of current community organizations
- Provide broad-based training and technical assistance for disability networks to build their capacity
- Convene and provide targeted technical assistance utilizing a learning collaborative model
- Engage integrated care organizations, managed care plans, and other health care entities regarding the needs of consumers and the roles of community organizations
Key Activities

- Environmental Scan and Needs Assessment Survey
- Webinars and Technical Resources
- Learning Collaborative
The Environmental Scan Survey will help us learn more about Community Based Organizations and their...

- Familiarity with Integrated Care Terminology
- Experience with Integrated Care
- Organization’s Capabilities
Developing Baseline Knowledge

- The Findings from Environmental Scan Survey will drive our work
- Training and Technical Assistance
- Development of a Learning Collaborative
- Sharing of Promising Practices
- Attention on Areas of Needed Improvement
- Sharing of Perspectives and Needs across the various Stakeholders
Environmental Scan and Needs Assessment
Environmental Scan and Needs Assessment
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Environmental Scan and Needs Assessment
Environmental Scan

The rapid expansion of Medicaid managed long-term services and supports (LTSS) and other efforts to integrate healthcare and long-term services and supports is creating new, exciting, and yet challenging opportunities for Community-Based Organizations (CBOs), seeking to work within these new program designs.

These new approaches mean that CBOs—Area Agencies on Aging, aging services organizations, behavioral health organizations, Centers for Independent Living, developmental disability organizations, faith-based organizations, Native American tribes, National, and Native Hawaiian nutrition program providers, Protection & Advocacy Agencies, University Centers for Excellence in Developmental Disabilities Education, Research, & Service—and other local service providers for persons with disabilities and/or older adults—need to think differently about the services they offer, the customers they serve, and the way they demonstrate the value they add to services and supports. Instead of contracting directly with government funders, CBOs are now negotiating contracts with hospitals, health systems, accountable care organizations (ACOs), health plans, and other integrated care entities.

To equip CBOs with the skills, training, and experience needed to effectively negotiate and partner with integrated care entities and other payers, the Administration on Community Living is funding a three-year Business Acumen for Disability Organizations grant. This work is intended to ensure that CBOs are part of the evolving service delivery system and that their significant knowledge and experience serving people with disabilities is preserved. The grant is being implemented in partnership with 10 national organizations representing a variety of perspectives and experience on disability.

To better understand the needs of the disability network community, we are conducting an environmental scan of the business acumen of the disability network. Responses are being selected from the following three categories, each with its own unique subcategory:

- Community-Based Organizations (CBOs): click here.
- Health Plan Business: click here.
- Medicare/Medicaid Managed Care Organizations (MCOs): click here.

The survey should take no more than 20-30 minutes to complete.

Your responses will be used to guide the development of a web-based resource center, ongoing training opportunities, and the development of an intensive learning collaborative.
What do we want to see happen?

**Short-term**
- Improved knowledge of the business acumen needs of disability community organizations
- Increased awareness of disability community organizations by health care providers and payers.

**Intermediate**
- Increased number state/community-based networks or collaborations
- Increased recognition of the value of disability community organizations by health care providers and payers

**Long-term**
- Improved integration between the health care and social services sectors
- Increased sustainability of disability community organization
Opportunities to Get Involved

- Disability Business Acumen Resource Center website
- Ongoing feedback and dissemination
  - Webinars
  - Conference calls
  - Conference presentations
- Technical Assistance
  - Short-term
  - Peer-to-Peer exchanges
  - Learning Collaborative
Immediate Opportunities

- Complete the Environmental Scan and Needs Assessment Survey
- Participate in Monthly Webinar Opportunities
  - Fourth Wednesday of Each Month
  - 12:30 p.m. – 1:30 p.m. (EST)
  - Next Webinar: May 24th Managed Care 101
- Contribute Resources for the Resource Center
- Prepare to Apply for the Learning Collaborative
Thank You!