MLTSS TOOLKIT: GETTING STARTED

This section of the MLTSS Toolkit is a great place to start. If you see opportunities in your community(ies) and just need a little support to make certain you haven't missed anything, you are in the right place. And, if you are just beginning to think about offering new services – and we've all been there – you too are in the right place!

For many CBOs, securing private sector contracts for your programs and services is an essential step forward. That's because these service contracts, if priced appropriately, should provide the agency with a financial margin that can be used to further the agency's mission. Think of it this way, "no margin, no mission". Additionally, the contracts themselves provide a great opportunity for your CBO to serve more people!

"Getting started" is about helping you get a handle on the key considerations you should think about before developing a business offering or a contractual relationship with a new business partner. We will use the term "vended services" when referring to an arrangement under which your CBO contracts with an entity (managed care company, hospital, employer, etc.) where your CBO agrees to provide specified services to a distinct population in return for specific compensation or reimbursement. Because these organizations are paying the CBO, we'll call them "Payers".

In this module, we'll address these considerations:

- **Your Team**
- **Opportunities and Potential Business Partners**
- **Questions to Consider**
- **Next Steps**

Your Team

We start here, because, without the dedicated employees across your agency, change won't happen. Talk with them. Share your thoughts, concerns, and engage them in the process so they understand that this is a positive development for your CBO. It offers the potential for a new, significant, and relatively predictable funding stream that the organization will be able to use to provide more services to more people in the communities you serve. This may be a good opportunity get them excited with questions about what the agency could do with additional revenue.

For many agencies, it's also essential to help them understand that changes are coming. It's not a matter of "if", but "when". Be realistic and upbeat. Help them see that these changes hold great opportunity for your CBO, the clients you serve, AND your employees!
In the **Assessments module**, you'll have additional resources to take a deeper look at your agency to assess your strengths and your areas of opportunity.

Opportunities and Potential Business Partners

Who are they and what motivates them? Consider these four examples—

Medicaid (Managed Care) Health Plans: Most of the social service programs we work with today target low-moderate income seniors, and persons with disabilities, right? Traditionally, social services for these populations have been delivered by CBOs and funded through government programs, grants, and other philanthropy. Separately, much of the health care funding comes through state and federal Medicaid and Medicare program dollars. Of course, that's nothing new to CBOs.
However, states, with encouragement from the federal government, are now moving rapidly and decidedly toward managed health and social service delivery for low-moderate income individuals of all ages through Medicaid health plans (aka Managed Care Organizations, or "MCOs"). Many of these MCOs have limited experience with the specific social services you provide, or long-term services and supports generally.

States are moving in this direction because many now recognize what social service professionals have seen for a long time, that coordination across both health and social services has great potential to improve health and quality of life, and lower overall costs. Because CBOs have a long history of success delivering effective, evidence-based social services and supports, your organization and its expertise now represent a valuable potential business relationship that can help MCOs meet their contractual obligations to the state or federal government under these managed care programs! Additionally, as part of their MCO oversight, most state and federal government agencies are using incentives and specific quality measures (HEDIS, CAHPS, HRAs, etc.) to ensure Medicaid health plans deliver quality services (links for more information on these quality measures can be found on this Toolkit's **Resources** page). For these reasons, Medicaid health plans are looking for help with coordination and delivery of social services to some or all of their Medicaid members (think Value Proposition!) and that means opportunity for your CBO. It is also important to emphasize that the trend toward states mandating that MCOs coordinate delivery of social services as part of their contract is increasing. For this reason, while most MCOs express strong support for working with CBOs in this coordination effort, their contracts with the state require them to ensure these services are available and delivered. The point here is that if your CBO chooses not to work with MCOs in

your community, the MCO will turn to someone else for those services. In fact, they will be contractually obligated to do so under most state Medicaid contracts.

Medicare Advantage (MA) Plans: Once a small part of Medicare that only reached Medicare beneficiaries in certain large urban areas, MA plans (aka Medicare "Part C") now cover millions of Medicare beneficiaries in urban, suburban, and some rural communities across the nation. A popular and fast growing program, MA plans increasingly need help with social services to achieve Medicare's quality measures (aka "Star" ratings). Generally speaking, there are five types of Star ratings:

- Process measures,
- Outcomes measures,
- MA plan improvement measures,
- MA plan access and response measures, and
- Patient experience measures.

A table listing the Star measures can be **found here**. Click on the "2015 Star Ratings Measures List" for a full list of the 2015 Medicare Part C and D Performance measures. Note that some of the ratings apply to Part C (Medicare Advantage) plans and some to Part D (prescription drug plans). For Medicare Advantage plans that cover outpatient prescription medications (applies to most MA plans), all ratings apply.

Ensuring that beneficiaries actively engage in, and understand, these quality programs and services is critical to positive scores for the MA plan, and high scores mean additional revenue for the MA plan. CBO's, with your local presence, are ideally suited to help MA plans and their enrollees improve health and achieve high quality scores on many of these measures.

Examples include:

- Ensuring MA members have been counselled on falls prevention strategies,
- Completing functional status assessments,
- Achieving high percentages of MA members who have followed guidelines for screenings and vaccinations,
- Helping MA members actively manage their chronic conditions (EX: diabetics having their A1C checked regularly), and
- Helping MA plans reduce their member readmission rates.

Hospitals: In many communities, CBOs already work closely with local hospitals. Current or retired hospital executives often volunteer on CBO boards. But, have you considered the hospital as a potential business partner? If not, maybe it's time to look again. Hospitals need assistance with their quality ratings, too.

For example, the federal government's value-based purchasing and readmission rate targets, part of the Affordable Care Act, provide financial incentives for hospitals to improve quality in specific ways,

including reduced (or maintaining favorable) readmission rates. This measurable financial incentive provides hospital executives with significant motivation to engage in robust efforts to help patients being discharged from the hospital with strategies and social supports to help these patients avoid complications that could result in a hospital readmission, especially during the first 30 days post discharge.

Your agency has a great deal of valuable experience and services that can help hospitals be successful. In fact, many CBOs already partner with hospitals to help them reduce readmissions under ACA's 3026 provision. Packaging what you do well into a Hospital to community Care Transitions Program (CTP) can be a great way to develop new sources of revenue from these hospitals while furthering your agency's mission in new and exciting ways! Remember, hospitals may be reluctant to pay you for CTP services. However, under ACA's 3025 provisions, they stand to receive handsome financial rewards for success (penalties for failure) and your agency can bring value to that equation. So, there is no reason they shouldn't compensate your CBO for your contributions to their success. That's smart business for you and for them.

Employers, Unions, Physician Groups (including ACOs/Medical Homes), and Retiree Groups: These groups, especially large employer and union groups with a self-funded health plan and at-risk (financial) provider groups, may be interested in contracting with CBOs for a variety of services. From educational classes (EX: Chronic Disease Self-Management Programs, or "CDSMP") to support services for active employees who find themselves in need of caregiver supports for a loved one, to hospital care transitions and counselling services for retirees transitioning to Medicare. If you have large employers in your community, now is a good time to reintroduce your CBO to them and explore ways that you can provide valuable programs and services to them. The possibilities are limited only by our imagination.

Across these payer types, the focus is on health and quality of life improvement for the individual, as well as prevention and condition management practices for chronic conditions and transitions. Of course, cost savings are always a priority!

What do you do well today (or could with a little effort)? And from that list, what do your potential customers and business partners want and need? There's your value proposition!

So, get to know how Medicare and your state's Medicaid agencies intend to measure these programs (we have convenient links on the **Resources** page to many of the most often utilized measurements) and how you may offer existing services that can help these payers be successful.
That's value!

Questions to Consider:

One question we often here is "What questions should I ask?" Typically, that question comes in the context of what questions the CBO should ask the payer. However, it is equally important to think about what questions the CBO leader should ask of his or her agency leadership team.

In a business services arrangement, there will be many familiar aspects and there will also be many important new business decisions. To address those, n4a created a **MLTSS Opportunities** document that pulls together the most frequently asked questions as well as several that are often overlooked. You'll need to provide the answers, but this is a great tool to help you work through the important decisions you will need to make for your agency to succeed with this new opportunity. We encourage you to review the questions as you consider your agency's business readiness and send us feedback with any we've missed!

Two important facts are key in the current push to coordinate healthcare and social service delivery. First, organizations responsible for managing the health care for specific populations (employees, low income individuals, seniors and people with disabilities, etc.) are searching for ways to manage costs and improve health. Increasingly, studies are proving what CBOs have known for a long time, that social health plays a big role in determining overall health. Second, economic conditions and budget pressures coupled with the aging of our nation's population and the Medicaid eligibility expansion under the Affordable Care Act (in most states), mean federal and state government agencies responsible for the fiscal health of the Medicare and Medicaid programs are coming under increasing pressure to control costs. The same is true for employer-based health plans where plan costs can have a significant impact on the company's competitiveness.

Additionally, "Value-based Purchasing" (a term you're likely to hear a lot about in the coming years) is driving dramatic change in the way health care providers, particularly hospitals, organize and prioritize their work. Value-based purchasing (aka "Pay for Performance" or "P4P") has been talked about for a long time and the ACA is making it a reality, at least for hospitals under Medicare where hospitals can receive incentive payments for achieving certain quality metrics.

For CBOs, these dramatic marketplace changes will impact our future role. It represents a threat to the status quo and offers powerful opportunities for a vibrant future serving the expanding needs of an aging population. This should be compelling motivation to continue to the next module in the toolkit, the **Self-Assessment**, and develop a plan to expand into the MLTSS arena. Identify local or regional opportunities to demonstrate your value. Producing early results and offering your experience can help secure a "seat at the table" when policymakers are creating the programs of the future so those programs benefit from your social services knowledge and ensure a place for your CBO as an integrated resource across the health care continuum.

Next Steps:

Jim Collins (author of *Good to Great: Why Some Companies Make the Leap…And Others Don't*) says greatness is not a function of circumstance. Greatness is a matter of conscious choice and discipline. So what can conscious choice and discipline mean for CBOs in identifying and creating new opportunities for growth and revenue?

Conscious: Know what should never change and why. Don't accept "this is the way it has always been done." Revisit and challenge your models and methods, but not your core values and timeless purpose.

Choice: Determine the strategic value of your organization in the context of your community. Know where you fit in, and be at the table when important community decisions are made. Don't limit yourself to participation in affiliated organizations and the nonprofit world. Reach out to other health care organizations and seek to understand what is important for them. Then, translate what your CBO does well into a value proposition that helps those organizations succeed.

Discipline: Create a culture of shared leadership and discipline in your organization:

- **Participate.** Leaders belong "at the table" with other local decision makers, involved in overall planning for community betterment and service provision.
- **Public Discourse.** You are part of the local community and a trusted and respected authority on social service issues in the area. CBOs are none of these things and can rarely expect to be any of these. That's a strength you can share…and part of your value proposition.
- **Share your mission.** Service providers should know and reflect the values of the local community and share the strategic mission of local government. Seek out areas of commonality and ways to share resources and efforts with government departments.
- **Build partnerships.** Partnerships with public agencies, nonprofits, and the private sector strengthen programs. Effective partnerships require time and effort to establish, but they are worth the effort if they support the vision of the community.
- **Appreciate diversity.** Differing cultural priorities and norms (organizational and community norms, for example) should be recognized, understood, and respected – including those that drive the private sector; and adjustments should be made as needed in program planning and execution – but not values. Flexibility and adaptability are key characteristics, needed by all involved in joint ventures.
- **Communicate.** Communicating with partners, stakeholders, and the larger community is important to grow and nurture partnerships.

- **Foster champions.** Champions and advocates are important to make programs successful and sustainable. Champions have a clear understanding of the organization's services and the role it plays in the quality of life of a community. They can contribute support in any number of ways, including time, funds, influence, services, goods, and related items.
- **Grow more leaders.** And not just from within your CBO and similar organizations. Consider a new part of diversity. When you have openings, consider hiring talented candidates from the business world. Seek candidates from a local business school, reach out to your local chamber of commerce, contact area business leaders for recommendations, etc.
- **Eliminate organizational barriers.**
  - Foster creativity
  - Reward flexibility
  - Remove policy barriers
  - Identify hidden agendas
  - Be open to change by removing impediments like "we've always done it this way"
  - Recognize that a nonprofit's mission-oriented drivers aren't by nature incompatible with the profit motive. That doesn't mean you compromise who you are – only that you stay open to new ways to achieve your mission!

Now that you have begun the process, it's time to **assess your CBO and the local market.**