

# Embracing the Shift: The Impact of Health Care Contracting on CBOs

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# The Business Institute

The mission of the Aging and Disability Business Institute (Business Institute) is to successfully build and strengthen partnerships between community-based organizations (CBOs) and the health care system so older adults and people with disabilities will have access to services and supports that will enable them to live with dignity and independence in their homes and communities as long as possible.

# aginganddisabilitybusinessinstitute.org



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## Getting Started

Everyone needs some help with taking that first step. For aging and disability community-based organizations, *Getting Started* provides a collection of business acumen resources to help those beginning their journey toward partnerships and contracts with the health care sector. Start here if you are looking for the basics, or if you need a refresher on health care contracting fundamentals.

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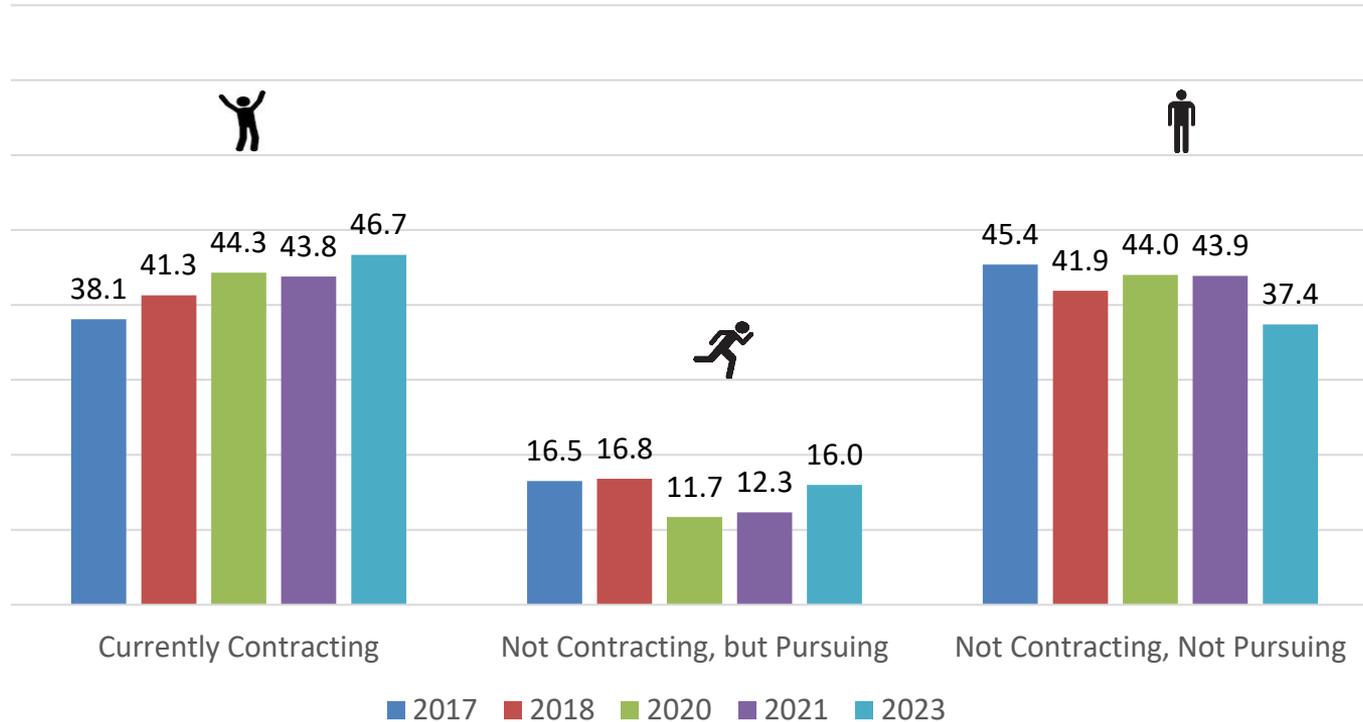
SCRIPPS GERONTOLOGY CENTER

# Data Sources

- CBO-Health Care Contracting Surveys
  - Conducted 5 times between 2017 and 2023
  - Disseminated to all AAAs, CILs and other known CBOs
- 2024 Qualitative Study
  - Interviews (in-person and over Zoom) with 13 individuals representing 10 AAAs between July and August 2024
  - Questions designed to better understand contracting experiences, impact on operations, staffing & culture

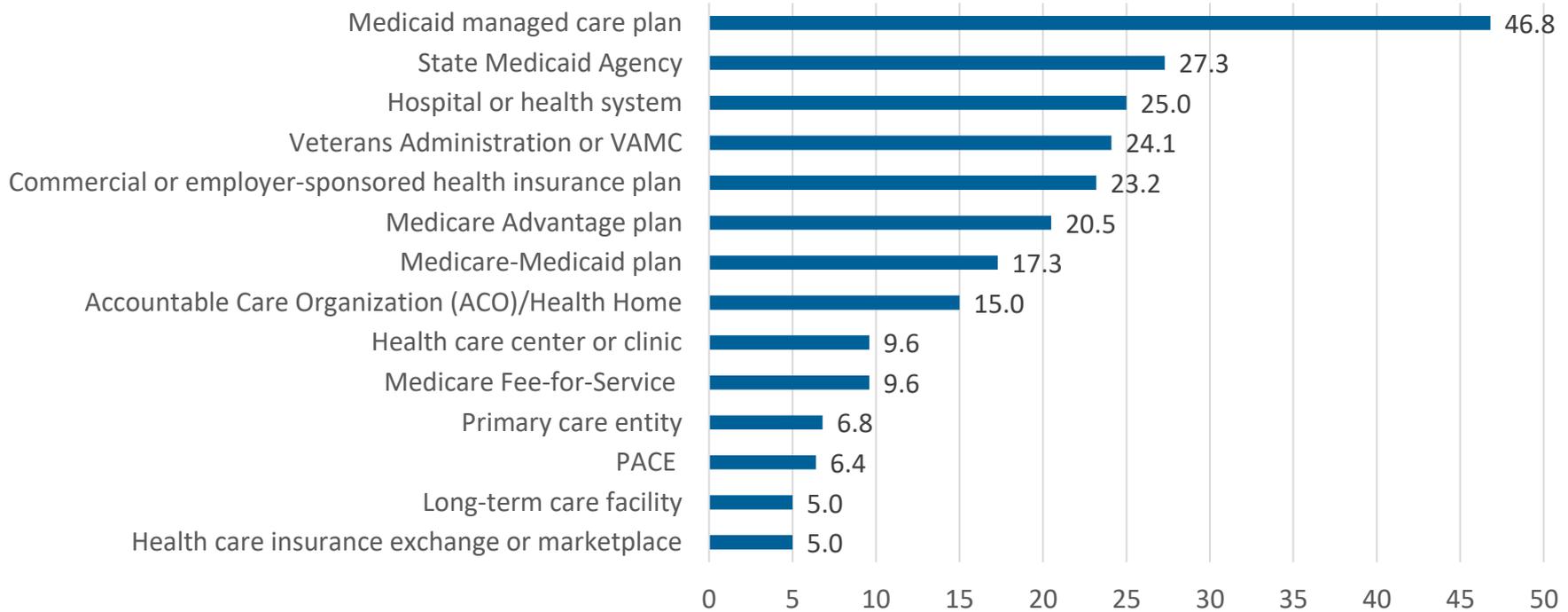
Both conducted with funding from The John A. Hartford Foundation

# CBOs Contracting Status, by Year

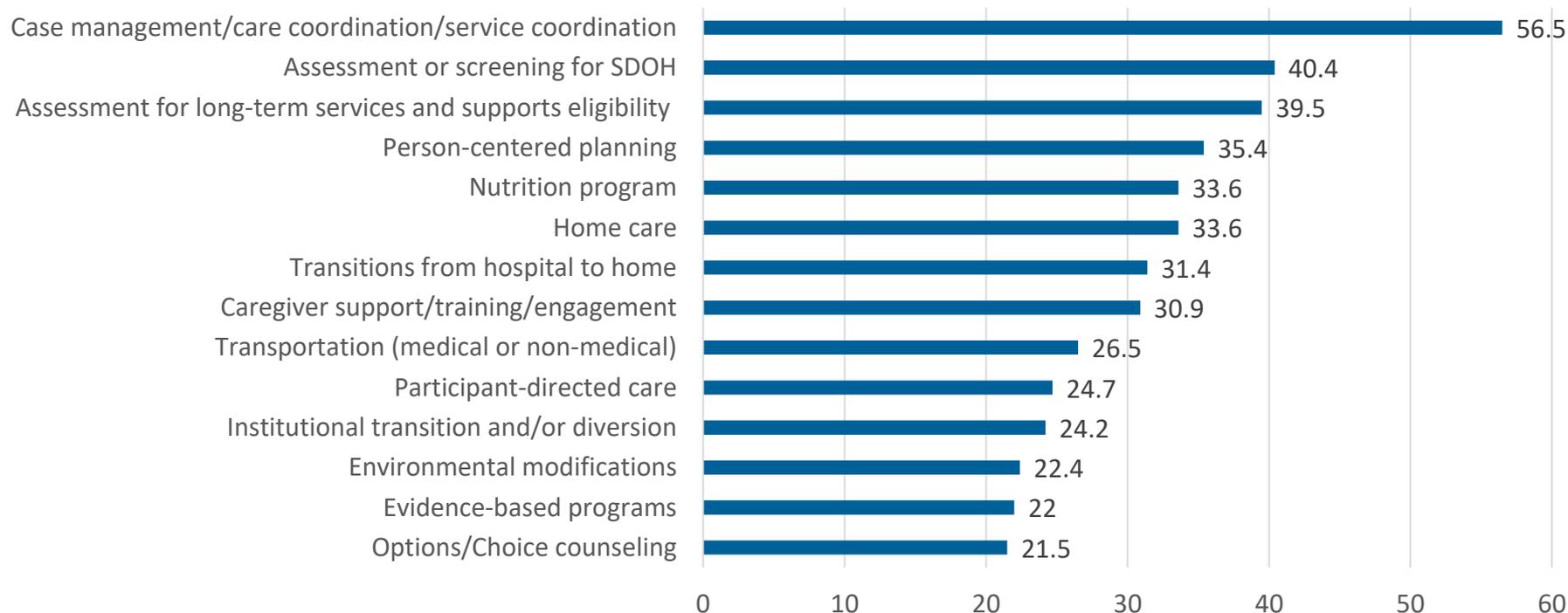


\*Statistically significant increase from 2017 to 2023 in proportion of CBOs reporting contracts.

# Health Care Contract Partners



# Most Common Services Provided through Contracts



# Discussion with Lisa...

Can you describe your current contracting efforts with health care entities?

# Deciding to Contract with Health Care Entities

- Enhanced opportunities for growth and viability
- Enhanced revenue streams
- Maintaining their important role of serving their communities
- Opportunity to serve new populations with expanded portfolio of services.
- Transformation of health care – centrality of community-based social care
- Remaining relevant
- Mission alignment

*“...when we can marry social service support and other supports, we offer when people need us most and do that with the health care system then I think that's really, that's really positive.”*

# Discussion with Lisa...

What led your organization to pursue contracting with health care entities?

# Impact on Business Operations

- Consideration of changes to structure, workflow, policies and procedures
- Understanding how performance will be measured, manage work force changes, and cultivating and maintaining relationships with partners
- Separating, blending, braiding of funding; blending and separation of job responsibilities

# Impact on Business Operations: Organizational Structure

- Structural agility to incorporate contract-based activities into existing systems and house within existing departments or programs
- Separating contract work from existing work
  - New department or program
  - Separate boards or advisory councils
  - Separate legal entity

# Discussion with Lisa...

Can you talk about the changes your AAA has made to the structure or operation of your organization as a result of contracting?

# Impact on Business Operations: Data Infrastructure

- Consideration and changes related to data privacy, collection and reporting.
- How much and to what extent did information need to be separated and protected?
- How much access does the CBO have to data?

# Impact on Business Operations: Staffing

- Impact on staffing was a major change all CBOs needed to take into consideration.
- Consideration of what could be done ‘in house’ and what made sense to outsource or staff with new positions and new people.
- Re-think who they were hiring and types of skill sets needed to be successful (teachers, CHWs, servers, etc.).

# Impacts of Contracting: Staffing

*“We operate pretty leanly so everybody's plate is already full and anytime you're going to think about doing something new, who's actually going to do the thinking, who's going to do the learning, who's going to take those first steps, beyond those first steps, do we need to hire somebody, do we need to look at maybe bringing on a consultant, do we have the resources to do that.”*

*“So, we did a lot of just that internal work of who has the right skills. And then as we grew it, then we figured out, okay, we're gonna section off this program from this person. We're gonna give that to this other person so they can focus on these programs because that's where their skill set is.”*

# Impact on Culture

- Varied levels of acceptance and adaptation among staff, board members, and partners
- Agile organizations supporting a culture of change vs. resistance to change and fear of challenging mission

*“We went from staff members that...your position is paid for, and you have your caseload and that's the work you do, versus I have to go and develop the caseload, and I have to engage with people.”*

*“For them to embrace contracting with hospitals and doctor's practices, that was not a problem.”*

# Discussion with Lisa...

How has your health care contracting work impacted the culture and mission of your AAA?

# Lessons Learned & Advice

*“Just do it.”*

*“Don’t let what you’ve always done stand in the way of what’s possible.”*

*“Don’t be afraid to step outside the box. You have to be able to recognize opportunity.”*

- Align Opportunity and Mission
  - Embrace the focus on social drivers of health
  - Know your strengths
  - Communicate the alignment
- Build the Business Case
- Negotiate Good Contracts
- Anticipate and Manage Change

# Discussion with Lisa...

How has contracting brought value to your organization? How is it impacting the individuals you serve?

Do you have any advice you would give to another AAA that is considering contracting?

# Questions & Answers



# At the Nexus of Social Care: Successful Contracting Between CBOs and Health Care Entities

<https://www.aginganddisabilitybusinessinstitute.org/wp-content/uploads/2024/08/At-the-Nexus-of-Social-Care-Research-Brief.pdf>

# Embracing the Shift: The Impact of Health Care Contracting on Community-Based Organizations

<https://www.aginganddisabilitybusinessinstitute.org/wp-content/uploads/2025/01/Embracing-The-Shift-December-2024.pdf>

# Thank You!