BUSINESS ACUMEN IN PRACTICE: INSIGHTS FROM THE LEARNING COLLABORATIVE EXPERIENCE

NASDDDS Mid-Year Conference
June 7, 2018
Val Huhn – DMH, Missouri
Erica Lindquist, NASUAD
Kim Opsahl, ANCOR
Laura Vegas, NASDDDS
Explore Ideas
Share Experiences
Create Solutions, Think Out Loud
Offer Resources
No Wrong Questions
Collaborate
Ask Questions
Learn
Think Out Loud
Create Solutions
Two Collaboratives – Two Objectives

- Business Acumen Learning Collaborative
  - Develop and implement business-related strategies to state-specific challenges to integrating long term services and supports and healthcare services

- Business Development Learning Collaborative
  - Evaluate the CBO business environment and develop business strategies to strengthen and sustain community-based organizations that serve people with disabilities
Module 1: Prepare

Module 2: Plan

Module 3: Execute
- Identify/Manage Risk
- Pricing
- ROI
- Contracting

Module 4: Monitor, Evaluate, Adjust
Business Acumen Learning Collaborative
Business Acumen Learning Collaborative

- Maryland
- Missouri
- New Hampshire
- New York
- Texas
Purpose: To determine the business acumen needs of the business acumen learning collaborative participants.

Asked about...

- Most Important Skills
- Organization’s Current Capabilities
- Organization’s Priorities
Skills and Expertise

- Achievement & Performance Orientation
- Analytical, Data-Driven Decision-Making
- Articulating your Value
- Building Effective Teams
- Building Enthusiasm for Change
- Building Essential Infrastructure Support
- Care Management Roles
- Communication Skills
- Consumer Engagement
- Consumer Satisfaction
- Cost Savings
- Developing Information Technology Systems
- Developing Quality and Performance Management Systems
- Effective Sales Techniques
- Evaluating Competition
- Identifying your Product/Service Line
- Innovative Thinking
- Licensing or Credentialing the Workforce
- Making the Business Case for your Services
- Managing Risk in a Managed Care Environment
- Measures (e.g. outcomes, consumer satisfaction)
- Negotiation Skills
- Network Development
- Overcoming Resistance to Change
- Pricing and Rate Determination
- Relationship Building and Maintenance
- Strategic Organization
- Understanding and Articulating Return on Investment
- Understanding Customer Needs
- Understanding Legal Terms and Issues
- Using Data to Generate Reports
### Gap Between Very Important and Very Strong

<table>
<thead>
<tr>
<th>Skill</th>
<th>Gap (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managing Risk in a Managed Care Environment</td>
<td>36.9%</td>
</tr>
<tr>
<td>Pricing and Rate Determination</td>
<td>30%</td>
</tr>
<tr>
<td>Building Essential Infrastructure Support</td>
<td>29.3%</td>
</tr>
<tr>
<td>Understanding &amp; Articulating Return on Investment</td>
<td>28.5%</td>
</tr>
<tr>
<td>Overcoming Resistance to Change</td>
<td>28.4%</td>
</tr>
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</table>
Top 6 Priority Areas

<table>
<thead>
<tr>
<th>Area</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pricing and Rate Determination</td>
<td>47.5%</td>
</tr>
<tr>
<td>Analytical, Data-Driven Decision-Making</td>
<td>35%</td>
</tr>
<tr>
<td>Innovative Thinking</td>
<td>27.5%</td>
</tr>
<tr>
<td>Cost Savings</td>
<td>25%</td>
</tr>
<tr>
<td>Making the Business Case for your Services</td>
<td>25%</td>
</tr>
<tr>
<td>Managing Risk in a Managed Care Environment</td>
<td>25%</td>
</tr>
</tbody>
</table>
What skills and expertise are most important when modernizing the delivery of care and services:

<table>
<thead>
<tr>
<th>Community Based Organizations</th>
<th>Managed Care Organizations</th>
<th>States</th>
</tr>
</thead>
<tbody>
<tr>
<td>Analytical, Data-Driven Decision-Making</td>
<td>Consumer Engagement</td>
<td>Communication Skills</td>
</tr>
<tr>
<td>Consumer Satisfaction</td>
<td>Consumer Satisfaction</td>
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<td>Consumer Satisfaction</td>
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</table>
Focusing our efforts: Managing Risk in an Integrated Care Environment - Identification of Risks

- Shared Aim: By August 2019, the Business Acumen Learning Collaborative will develop a framework and real-world resources to empower CBOs to effectively identify and manage risk in integrated care opportunities.

- Identifying risks related to
  - Core business areas
  - Moving to integrated care

- Explore and Identify
  - Common area risks
  - How risk is impacted by integrated care
  - Resources to assist in managing/mitigating risks
  - Core competencies with the risk areas
Business Development
Learning Collaborative

Illinois

Minnesota

Virginia
Business Development Learning
Collaborative Purpose and Objectives

- Complete a thorough environmental scan of each CBO service area;
- Complete a thorough analysis of Strengths, Weakness, Opportunities, and Threats (SWOT) for each CBO and state system;
- Analyze results of the environmental scan and SWOT analysis;
- Develop a strategic plan for each CBO or network of CBOs; and
- Identify and begin to implement strategies to address barriers to implementation.
To accomplish these objectives, each team will work together to:

- Define project goals and milestones
- Understand the market & environment in their community or state;
- Identify the needs of their partners and integrated healthcare entities in order to identify service and/or product lines responsive to those needs;
- Articulate the business case for CBO, integrated healthcare entities, and/or state partnerships;
- Address the organizational change needed to support these cultural shifts;
- Understand costs, pricing and cash flow; and
- Measure outcomes based on the team’s specific project goals.
Shared Aim: By August 2019, the Business Development Learning Collaborative will prepare CBOs to be able to pivot and pro-actively respond to a changing environment so that the sustainability and availability of holistic, quality services for people with disabilities is ensured.

Shared Framework: Step 1: Prepare - Understand the Business Environment and Your Place within It

- Strategic Plan
  - Vision and Mission
  - Environmental Scan
  - SWOT Analysis
  - Champions
Business Acumen Toolkit: Vision and Mission
Business Acumen Toolkit: Environmental Scan

- Past Trends
- Current Trends
- Emerging Trends

Environmental Scan:
- Federal, State and Local Government
- Payers
- Competitors
- Collaborators
- Demographics
- Economy
- Technology/System Requirements & Capabilities
Business Acumen Toolkit: SWOT Analysis
Business Acumen Toolkit: Stakeholder or Champion?

- **INFLUENCERS (High Interest)**: Keep Satisfied
- **CHAMPIONS (High Interest)**: Manage Closely
- **OBSERVERS (Low Interest)**: Monitor
- **INFORMERS (Low Interest)**: Keep Informed
Business Acumen Toolkit: Now what?
Collaboration to Dissemination

Module 1: Prepare
Module 2: Plan
Module 3: Execute
- Identify/Manage Risk
- Pricing
- ROI
- Contracting
Module 4: Monitor, Evaluate, Adjust
Business Acumen Learning Collaborative: Overall Lessons Learned
Business Acumen Approach

Prepare

Plan

 Execute

Monitor, Evaluate and Adjust
Lessons Learned: Prepare

- Be visible and stay informed – attend conferences, join local health improvement coalitions, introduce yourself and your organization to others
- Commit to the effort and to on-going relationship building – up and down the chain
- Work to develop buy-in at all levels but has to start with leadership
- Don’t be constrained by today - think beyond the current constraints and regulations
Lessons Learned: Prepare

- It is difficult to move forward when there are so many voices at the table – start with a framework and ask people for their input on what has already been determined as the plan.
- Use communication to foster understanding and build on commonalities
- It is important to have the right people at the table at the appropriate time; i.e. CBO financial staff need to be involved in pricing discussions.
Lessons Learned: Prepare

- Breaking down silos between services and identifying opportunities for collaboration is important.
- Communication with all parties from the beginning is essential to ensure trust and collaboration throughout the process.
- Find out what is important to the MCO (health plan, ACO etc..) Ask questions and listen, while keeping their goals in mind.
Resources to Help CBOs Prepare

Disability Network Business Strategies:
A Roadmap to Financial and Programmatic Sustainability for Community-Based Organizations

Step 1: Prepare
Understand the Business Environment and Your Place Within It
http://nasuad.org/sites/nasuad/files/BACStep1Prepare.pdf

Webinars:
- Business Acumen 101: Modernizing Your Community Based Business in a Changing Environment (Webinar)
- Are We Saying the Same Thing? The Language of Long Term Services and Supports and Managed Care (Webinar)
- Are They Buying What You're Selling? An Inside Look at What Health Plans Need from Community Based Organizations (Webinar)
- From Mission to Fruition: Developing your Relationships with Payers (Webinar)

All located at http://www.hcbsbusinessacumen.org/webinar-archive.html
Lessons Learned: Plan

- Completing a thorough SWOT before engaging with integrated care entities is essential.
- Partner with other CBOs to build on strengths and share resources.
- Leverage Your Contacts and be on the look-out for non-traditional partners who can help with the effort – Texas C-Bar.
- Need to develop a script / talking points to respond to people’s assumptions about your services.
Define their goal and detail plans for reaching them, including scalability.

Build IT capabilities, data requirements to “build your business case” and to comply with payer requirements likely more robust than what is required with current payers.

Use data to tell their story. What do you bring to the table that the MCO wants or needs, or that can demonstrate improved quality of life and efficient use of resources.
Building Your Understanding of How to Get Started

- Personal Stories—Moving into a Business Market Approach (Webinar - https://www.acl.gov/node/571)
- The Making of a Successful CBO (Article)
- A matter of mindset: CBOs must master “outside-in” thinking to partner up and deliver quality, cost-efficient care (Article)
Lessons Learned: Execute

- MCOs and CBOs contracting is new for everyone – be open and accommodating as everyone learns together.
- It is important to have coordination and communication between MCO contracting team and MCO program and policy staff who were on the transition planning team.
- Each payer has their own contract and statement of work – which adds a layer (or two) of complexity.
- Contracts with MCOs should have clear and concise deliverables.
- Measure Success – data has to show you what is and is not working.
Resources to Help CBOs Execute

Develop and Implement a Strategic Business Plan

- Planning to Plan? Tools to Use to Help You Better Understand your Current Business Environment (Webinar)
- Information to Action: Strategic Planning and Change Management (Webinar)
- Expand Your Vision and Grow Your Mission! Driving Culture Change in Aging and Disability CBOs Looking to Work with Health Care Partners
- Leadership and Change Management for Community Based Organizations

Webinars located at http://www.hcbsbusinessacumen.org/webinar-archive.html
Other Resources locate at http://www.hcbsbusinessacumen.org/successful-organizational-change.html
Missouri – One State’s Experience
Why do we think Business Acumen is important?

- CMS pushing value-based models (managed long term services and supports MLTSS) to replace fee-for-service
  - CMHC’s have moved to a prospective payment system through a federal demonstration

- In Missouri, traditional managed care arrangements want to expand
  - If you’re not at the table, you are on the menu

- Missouri can do better at person-centered results oriented services

- Broadening funding models will allow innovation around service delivery

- Need to create metrics that show improved whole health outcomes
  - CMS wants metrics focused on the Social Determinants of Health
### Missouri

**Overall Aim:** Create an integrated system that demonstrates improved health outcomes, reduced costs, and increased stakeholder satisfaction through building collaboration and CBO capacity for people with IDD who are aging and/or living with co-occurring conditions.

**Priority Area #1:** Strengthen CBO capacity.

<table>
<thead>
<tr>
<th>Strategies</th>
<th>A: Develop system-wide value-based health outcomes and demonstrate ROI.</th>
<th>B: Build stakeholder engagement.</th>
<th>C: Develop opportunity for innovation projects.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exceeds</strong></td>
<td>Develop comprehensive outcome report of LC CBOs that demonstrates improved health outcomes and reduced healthcare costs in target populations.</td>
<td>Host a learning summit to promote learning state-wide.</td>
<td>Implement alternative federal funding mechanisms.</td>
</tr>
<tr>
<td><strong>Expected</strong></td>
<td>Develop tracking mechanism and process within LC CBOs to collect data related to physical and mental health outcomes and associated costs.</td>
<td>Expand knowledge of CBOs through presentations at learning collaborative meetings.</td>
<td>At least one CBO will develop a contract with a new funding partner.</td>
</tr>
<tr>
<td><strong>Minimum</strong></td>
<td>Identify and agree upon outcome sets for physical and mental health.</td>
<td>Develop information and resources to build collaboration and mitigate risk.</td>
<td>Identify and prioritize opportunities for partnership between CBOs at the local level.</td>
</tr>
</tbody>
</table>
Buy not Build – Sell, Sell, Sell
- Meeting with CEO’s of two plans in Missouri in June
- Share resources
  - Case Management
  - Assessments
  - Technology
  - Services

Breaking Down Silos
- Continue to engage with learning partners, including the Area Agencies on Aging
- Health Homes
Missouri Next Steps

What issue are we trying to solve – goal identification

- Improved methods of payment to incentivize positive outcomes
- Increased access to preventative and acute health care services
- Enhanced coordination across service providers
- Improve employment, community integration and create opportunities to decrease reliance on services
- More...provider rates...

Why are we different than traditional health-care services

- Services cover the lifespan, vary as family situations change
- Person-centered services require a broad service menu-unique providers
- Consumer and family engagement is crucial
- Medicaid is the only payer, very few private pay and no other insurance coverage
Create a timetable.

- CMS recommends a two-year planning time at a minimum.
Missouri Next Steps

Questions everyone wants to know the answers to:

- What services are included or carved-out?
  - Health
  - In-Home / Residential
  - Employment / Community Inclusion

- What is the framework?
  - Fully capitated at-risk with a health plan
  - Fully capitated at-risk with a governmental entity
  - Hybrid
  - ACO
  - Other?

- What does a managed care company look for in a provider?
Missouri Steps After That

Figure 3. Stages of Managed Care Program Lifecycle

- I. Goal Identification
- II. Data Analysis, Program Design, and Authority Selection
- III. State Infrastructure Planning and Alignment
- IV. Procurement, Contract, and Rate Development
- V. Detailed Policy and Procedure Development
- VI. Quality Oversight and Program Improvement

Adequate Planning Time
Stakeholder Engagement (Priority on Consumers and Families)
Buy in at all levels, starts with leadership
Commitment up and down the chain
Outside learning opportunities – too many opportunities for everyone
Thank You!

www.hcbsbusinessacumen.org
Valerie Huhn - Valerie.Huhn@dmh.mo.gov
Erica Lindquist – elindquist@nasuad.org
Kim Opsahl – kopsahl@ancor.org
Laura Vegas - lvegas@nasddds.org
For more information, please visit: www.hcbsbusinessacumen.org
E-mail: businessacumen@nasuad.org
Or Call: 202.898.2583