

# Administration for Community Living: Improving Business Acumen for Community-Based Aging and Disability Organizations through Learning Collaboratives

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## IN BRIEF

Although community-based aging and disability organizations play a vital role in supporting people with disabilities and older Americans in their ability to live and thrive in community settings, many lack the business capacity to succeed under new payment and delivery system models. The federal Administration for Community Living convened a series of Learning Collaboratives to improve contracting skills and other business competencies among networks of community-based aging and disability organizations (CBOs), as part of a larger Business Acumen Initiative. This case study describes the ACL Business Acumen Learning Collaborative, and reviews key takeaways and next steps for supporting business capacity building for these critical organizations across the country.

The federal Administration for Community Living (ACL),<sup>1</sup> a division of the U.S. Department of Health and Human Services established in 2012, works with community-based aging and disability organizations across the country to support people with disabilities and older Americans in their ability to live and thrive in community settings. Its mission centers on maximizing the independence, well-being, and health of older adults, people with disabilities across the lifespan, and their families and caregivers. ACL partners closely with providers and organizations that provide home- and community-based services and supports, such as Area Agencies on Aging, Aging and Disability Resource Centers, Centers for Independent Living, developmental disability organizations, caregiver services, adult day programs, and more. Each year these community providers serve roughly 11 million people delivering various home and community-based services, including person-centered planning, care and transitions management, nursing facility transition and diversion, chronic disease self-management and other evidence-based programs, employment supports, mental health services, nutrition, transportation, and benefits outreach and enrollment.<sup>2</sup>

In the context of post-Affordable Care Act payment and delivery system reforms, it was clear to ACL leadership that community-based aging and disability organizations had a role to play in achieving a high-quality, cost-efficient health care system. However, most lacked experience working with insurers, contracting, and communicating the business case for their services within integrated care models. While some providers bill for services through state Medicaid home- and community-based services waivers, many aging and disability organizations have historically been grant-funded and often lack the know-how to enter into business relationships with health care providers. This case study, based on interviews with ACL officials,<sup>3</sup> outlines ACL's efforts to design and launch a series of learning

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collaboratives to support improved business acumen for community-based aging and disability organizations. It reviews key takeaways and next steps for supporting business capacity building for these critical organizations across the country.

## The ACL Business Acumen Learning Collaboratives

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In 2012, ACL launched a Business Acumen Initiative<sup>4</sup> to address the challenges many community-based aging and disability providers faced in encouraging the skills and organizational infrastructure needed to develop local and regional provider networks, articulate a business case, and negotiate contracts with integrated care entities including managed care organizations (MCOs), accountable care organizations (ACOs), insurers, hospitals, and health systems. The Business Acumen Initiative provides informational resources, technical assistance, and training to community providers across the country with the goal of developing strong local and regional networks of community-based organizations (CBOs) that can thrive under new payment and delivery system models.<sup>5</sup>

While the Business Acumen Initiative provided broad-based technical assistance resources like web-based toolkits, it quickly became clear that aging and disability CBOs needed more hands-on support to successfully build contracting skills. In response to this need, from 2013 to 2016 ACL convened two Business Acumen Learning Collaboratives that combined targeted training and technical assistance with remote and in-person peer learning to discuss common challenges, share approaches and successes, and identify emerging best practices.

ACL made a strategic decision at the outset to open the Learning Collaborative to local and regional networks of aging and disability providers, on the premise that CBOs are best positioned to engage with potential contracting partners collectively as “integrated care networks”. This model allows health plans and ACOs to contract with one entity to serve a community or population, simplifying negotiations and contract administration; and gives aging and disability providers an opportunity to create common core infrastructure to support growth and operations. As a result, Learning Collaborative participants worked to develop structures to better support their business operations (e.g., infrastructure, billing, finance, and technology), whether as a management services organization, a limited liability corporation, a brokerage model, or another type of arrangement.

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The first 18-month Learning Collaborative, launched in 2013, included nine networks of aging and disability providers representing every region of the United States; a second round included an additional 11 networks.<sup>6</sup> The primary goal of the Learning Collaboratives was for each participating network to enter into at least one new contract with a payer or provider organization, with a secondary goal of supporting network development and maturation. As of July 2017, the 20 participating

networks had established a total of 29 new contracts with a variety of health care organizations, including health plans, ACOs, physician practices, hospitals, and health systems.

## Public-Private Partnerships to Support Aging and Disability Provider Capacity Building

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Around the time that ACL was preparing to launch the Business Acumen Learning Collaboratives, a handful of private foundations were considering the same question: How to support aging and disability CBOs in developing the business competencies they would need to participate in health care reform?

A hallmark of ACL's Business Acumen Initiative is the collaboration it has catalyzed across government, private foundations, provider associations, and leading-edge CBOs, both through conscious planning and by chance. These partnerships have been synergistic, and have led to co-design of technical assistance activities, exchange of guides and toolkits, and supplemental funding.

Early in the design process for the first round of Learning Collaborative activities, ACL identified similar business competency development efforts supported by The John A. Hartford Foundation,<sup>7</sup> which quickly became a critical partner in the Business Acumen Initiative along with CBOs participating in the Hartford Foundation grant program — Partners in Care Foundation, and Elder Services of the Merrimack Valley. In the second round of the Learning Collaborative, The SCAN Foundation joined the Learning Collaborative planning group and provided support for technical assistance based on its LinkageLab effort to build CBO capacity in California.<sup>8</sup>

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Together, this planning group designed technical assistance and learning activities, and, with funding from The John A. Hartford Foundation and The SCAN Foundation, convened in-person Learning Collaborative meetings three times during each 18-month technical assistance period. These regularly scheduled face-to-face sessions were a key ingredient for fostering peer learning. The Learning Collaborative used resources developed by these partners, including The SCAN Foundation's Pricing Guide for CBOs,<sup>9</sup> and invited member CBOs to serve as "faculty" for Learning Collaborative webinars and meeting presentations.

## Lessons: Contracting, Service Tracks, and Technical Assistance

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Successful CBO contracting strategies were based on a combination of network strengths and matching those strengths with a payer or partner's needs. Networks discovered that understanding a payer's "pain points" and creating service packages in response to those issues was a key marketing strategy in

securing contracts. For the CBOs participating in the Learning Collaboratives, two main service package tracks emerged: (1) care management and care transitions (for services like health coaching, in-home assessment, and medication reconciliation); and (2) evidence-based programs (e.g., diabetes self-management, falls prevention).

Over time, ACL refined Learning Collaborative topics in response to networks' needs and built a technical assistance package focused on the building blocks of business acumen to complement the service tracks mentioned above. Topics addressed included: market analysis, service line development, network structure, and more. ACL also identified areas of where existing guides or toolkits could be adapted to meet networks' needs, including resources addressing topics such as pricing and contract negotiation.

Some topics unexpectedly rose to the surface as major technical assistance needs. Organizational culture and leadership, and the need to balance a mission-driven mindset with developing sustainable funding mechanisms, became a major focus during both rounds of the Learning Collaborative. Successful transformation was an ongoing process for CBOs, requiring buy-in at all levels, from executives and board members to staff providing direct services. This was equally true within health care organizations that were entering into partnerships with CBOs. Even after contracts are executed, successful implementation hinges on clinician and staff support, and on workflows and referral processes that enable integrated care.

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## Looking Ahead

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In fall 2016, ACL and its foundation partners awarded two new grants to build on the successes of the Business Acumen Learning Collaborative, spread lessons, and explore additional technical assistance topics.

- The Business Acumen for Disability Organizations<sup>10</sup> grant, led by the National Association of States United for Aging and Disabilities in partnership with 10 national and state-based organizations representing providers and advocates, is working to further engage disability services providers in business acumen development. This three-year, \$2.25 million grant includes broad-based technical assistance, as well as a series of year-long learning collaboratives for state-based teams that include government officials, provider association representatives, and disability services providers. The focus on state official participation was inspired by a key takeaway from the first two rounds of the Business Acumen Learning Collaborative, which highlighted the critical role of states in aging and disability services, both as payers and as policymakers.
- The Learning Collaboratives for Advanced Business Acumen Skills grant,<sup>11</sup> led by the National Association of Area Agencies on Aging, seeks to tackle difficult technical assistance areas that were

not fully addressed through the Business Acumen Learning Collaborative. This three-year, \$1.5 million grant is convening topic-based peer learning opportunities for CBOs. The first, convened in Summer 2017, is the Trailblazers Learning Collaborative, designed to help CBOs that have already demonstrated an ability to contract with health care organizations explore new areas, and to glean lessons from their progress that can be shared more broadly as a road map. Future potential topics include health information technology, generating and maintaining client volume, data and analytics, and continuous quality improvement.

- ACL also partnered with The John A. Hartford Foundation, The SCAN Foundation, the Colorado Health Foundation, the Marin Community Foundation, and the Gary and Mary West Foundation to launch the Aging and Disability Business Institute, which will develop formal curricula to systematically spread lessons and tools developed through the work of these partners.<sup>12</sup>

## Conclusion

The Administration for Community Living sees advancing CBO business acumen as a critical step toward meeting the needs of the nation's aging and disability population. By supporting CBOs' ability to participate in payment and delivery system reforms, ACL helps to ensure the continued financial viability of community-based long-term services and supports that help older adults and people with disabilities to thrive in community settings.

### Learn More

- [ACL Business Acumen Initiative webpage](#)
- [Aging and Disability Business Institute website](#)

### ABOUT THE CENTER FOR HEALTH CARE STRATEGIES

The Center for Health Care Strategies (CHCS) is a nonprofit policy center dedicated to improving the health of low-income Americans. It works with state and federal agencies, health plans, providers, and community-based organizations to develop innovative programs that better serve people with complex and high-cost health care needs. To learn more, visit [www.chcs.org](http://www.chcs.org).

## ENDNOTES

<sup>1</sup> The Administration for Community Living sits within the federal Department of Health and Human Services (HHS). It was established in 2012, and combined the former Administration on Aging, Office of Disability, and Administration on Developmental Disabilities. For more information on ACL's history and activities, visit: <https://www.acl.gov/>.

<sup>2</sup> Agency for Community Living. State Program Reports Results. Aging Integrated Database (AGID). Available at: <https://agid.acl.gov/CustomTables/SPR/Results/>. Accessed October 18, 2017.

<sup>3</sup> This case study is based on interviews with Marisa Scala-Foley, former Director, Office of Integrated Care Innovations, Center for Integrated Programs, Administration for Community Living; and Lauren Solkowski, Program Analyst, Office of Integrated Care Innovations, Center for Integrated Programs, Administration for Community Living; February 24 and September 13, 2017.

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- <sup>4</sup> Administration for Community Living. Business Acumen Initiative [fact sheet]. Available at: <https://www.acl.gov/sites/default/files/programs/2017-07/AcumenFactSheet.pdf>. Published July 2017. Accessed August 8, 2017.
- <sup>5</sup> Administration for Community Living. Improving Business Practices [website]. <https://www.acl.gov/programs/strengthening-aging-and-disability-networks/improving-business-practices>. Accessed August 8, 2017.
- <sup>6</sup> The ACL webpage for the Business Acumen Initiative includes site profiles for each of the 20 networks, as well as case studies for two sites. Administration for Community Living. Improving Business Practices [website]. <https://www.acl.gov/programs/strengthening-aging-and-disability-networks/improving-business-practices>.
- <sup>7</sup> The John A. Hartford Foundation is a private philanthropy focused on health and aging. For more information: <https://www.johnahartford.org/about/>.
- <sup>8</sup> The SCAN Foundation is an independent public charity focused on health care for older adults. For more information on the LinkageLab Initiative: <http://www.thescanfoundation.org/linkage-lab-initiative>.
- <sup>9</sup> The SCAN Foundation. The SCAN Foundation Pricing Guide for CBOs. Available at: <http://www.thescanfoundation.org/scan-foundation-pricing-guide-cbos>. Published September 5, 2013. Accessed September 17, 2017.
- <sup>10</sup> Administration for Community Living. Improving Business Practices: Business Acumen for Disability Organizations [website]. Available at: <https://www.acl.gov/programs/strengthening-aging-and-disability-networks/improving-business-practices>.
- <sup>11</sup> Administration for Community Living. Improving Business Practices: Learning Collaboratives for Advanced Business Acumen Skills [website]. Available at: <https://www.acl.gov/programs/strengthening-aging-and-disability-networks/improving-business-practices>.
- <sup>12</sup> For more information about the Aging and Disability Business Institute, visit: <https://www.aginganddisabilitybusinessinstitute.org/>.