

Lessons in Leadership: Showing Up Authentically When Between a Rock and a Hard Place

By Emily Eelman, Juniper Peak Consulting

Matthew Ahern, deputy director at Nebraska Medicaid and formerly Assistant Director in the Bureau of Managed Health Care at Utah Medicaid, describes the challenge of leading from authenticity when there's no clear right answer.

Working in a state or territory Medicaid program is rewarding — it provides opportunities to make a real impact on the health and well-being of millions of people around the country — but it can also be a complex environment to navigate. Resource constraints, regulatory restrictions, and compliance requirements are just a few of the daily obstacles to navigate.

Medicaid leaders are often faced with challenging policy and operational decisions, like identifying painful budget cuts in an economic downturn, salvaging a technology implementation gone awry, or untangling a program with significant audit findings. Many times, there is no easy or clear answer. Instead, leaders and their teams need to identify the “best available” or sometimes even the “least bad” option to creatively solve problems.

Matt Ahern, Deputy Director for Nebraska Medicaid, understands what it means to operate in these situations and shares some leadership lessons he’s gleaned over a two-decade career, of which eight years have been as a Medicaid leader in Nebraska and Utah.

Leader At-A-Glance



Name: Matthew Ahern, MBA, MHA

Role: Deputy Director, Division of Medicaid and Long-Term Care

State: Nebraska; formerly Utah

Public Sector Tenure: 8 years

CHCS connection: [Medicaid Pathways Program](#)



ABOUT THE LESSONS IN LEADERSHIP SERIES

Lessons in Leadership shares stories from public sector leaders across the country as they navigate the day-to-day operations, big picture planning, and unexpected twists and turns of leading within government agencies. These lessons can help support others in similar roles — and remind us of the importance of giving oneself grace in times of challenge. The series is developed through support from the Robert Wood Johnson Foundation.

The Rock and the Hard Place

Medicaid is the single biggest source of federal funding to a state, and state Medicaid agencies are accountable for ensuring that funds are spent in compliance with their specified intent and all applicable laws and regulations. As a result, Medicaid leaders can often find themselves caught between the Center for Medicare & Medicaid Services' (CMS) oversight and Medicaid providers interest in increased funding and fewer constraints to better serve members. Matt offers two examples of how this tension has played out in his experience overseeing audits for state Medicaid agencies.



The nature of Medicaid is, among other things, being stuck between competing legitimate interests.

The School-Based Health Program Audit

Utah's school-based health program had been operating for years with no apparent hiccups. When a small finding emerged from a routine audit, Matt and his team stepped in for what was expected to be a quick fix but found a program with more significant billing and financial compliance issues. To his dismay, Matt realized that his team would need to recoup millions of dollars from programs that supported children with disabilities.

Overhauling the program's billing and financial reconciliation practices would be a multi-year, data-intensive process fraught with funding and resource constraints. Matt and his team would also need to manage important relationships with stakeholders, many of whom were directly impacted by the issue. School boards became engaged, and Medicaid leadership were routinely approached about the issue in public. Matt and his team needed to make difficult decisions about what to prioritize, because fixes that were both timely and comprehensive were often infeasible.

Reflecting on the experience, Matt notes that not every decision ends up being the right one with hindsight. Among other things, the team needed to create a provider instructional manual in a short timeframe as part of the corrective action plan. They released the manual without sharing a draft with the schools for feedback. "We knew this was going to be hard, and we should have taken the time to have them review and share feedback," noted Matt. "It would have taken some of the sting out of the situation."

Rural Hospital Financial Dilemma

In the waning days of the [HITECH Meaningful Use incentive program](#), CMS federal financial auditors expressed concerns with how Utah's initial hospital payments were calculated. The audit looked back 8-10 years, and no one who had worked on the program or its finances in the early years still worked for Utah Medicaid or CMS, so there was no historical perspective. It became clear that the only permissible recalculation was going to result in pulling back millions of dollars from smaller rural hospitals, many of which are financially shaky and a critical source of care in rural communities.

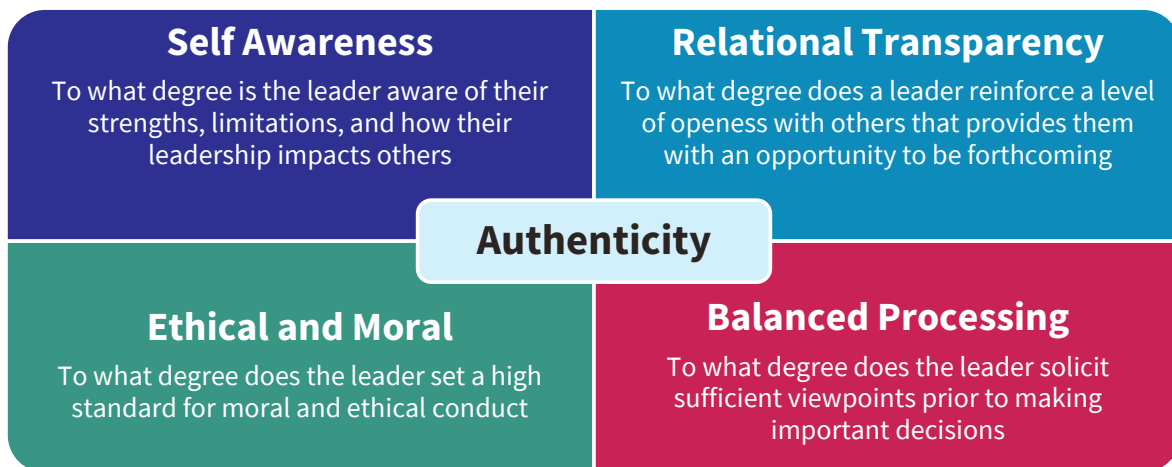
Matt's team needed the hospitals to provide records to do the recalculations that would result in millions of dollars of recoupments. Understandably, hospital administrators were frustrated and upset. As one hospital CEO noted to the team, "You can show up and take the keys if you feel like you can make [maintaining

financial viability while repaying past funding] work.” Ultimately, the state brought in a third party to support the hospitals in assembling the records, which helped to both accomplish the objective and diffuse tension.

Sitting at the intersection of competing interests amidst a thorny issue is often uncomfortable and requires difficult choices but can be a catalyst for creative problem solving. In both situations, Matt and his team navigated the tensions between compliance and sustainability by developing options for resolution that were acceptable to CMS and considered the financial realities of the schools and hospitals. Neither situation felt like a clear win, but the programs were able to come back into compliance while preserving their ability to provide critical services to Medicaid members.

Leading Authentically

Matt handles the leadership aspect of navigating challenging situations by anchoring to authenticity, which may be intuitive, but is also grounded in research. There is a positive relationship between authentic leadership and performance, organizational commitment, and job satisfaction. The Authentic Leadership Questionnaire defines the components of authentic leadership as self-awareness, transparency, an ethical/moral perspective, and balanced processing.¹



Self-Awareness. Matt recognizes his own challenges, alongside his team, in confronting difficult situations and tradeoffs in the Medicaid program. Acknowledging this helps to keep him grounded and thoughtful in how he conducts himself, especially in stressful situations. He advises, “Stay focused on the end goal — what you’re trying to accomplish and the steps that you’re taking. Frame that in communications with your staff *and* with yourself.”

Relational Transparency. The importance of acknowledging the situation as it is, both with his team and with stakeholders, is something Matt stresses regularly. In many cases, he says, “The reality is that we have to do something. The status quo isn’t an option.” For example, federal audit findings mean that there

¹ Academics Garner and Walumbwa at Texas Tech and Florida International University, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5682574/> <https://digitalcommons.unl.edu/cgi/viewcontent.cgi?article=1021&context=managementfacpub>

is an ongoing liability until the issue is satisfactorily resolved. Being transparent and open with his team and with stakeholders about that truth builds credibility and can bring people together to collaboratively develop options.

Ethical and Moral Grounding. It can be gut wrenching for mission-focused teams to be in the position of reducing or pulling back funding for programs that do important work, even when it is a necessary result of compliance requirements or budgetary realities. One way that Matt grounds himself in ethical and moral leadership is by demonstrating an adherence to the letter and spirit of the law, even when it creates challenging situations, while also empathizing with the people affected by the tough decisions that must be made.

Balanced Processing. Complicated situations with competing interests mean that it is critical to seek diverse input and objectively analyze those perspectives, particularly for an agency like Medicaid that is often pulled in different directions. Matt appreciates both the perspective and needs of providers — such as the schools and rural hospitals highlighted earlier — as well as the perspective of CMS auditors working to ensure program integrity and compliance. That is, after all, a core purpose of audits: to identify issues that need to be resolved for a program to run efficiently and effectively. Being able to balance those competing but legitimate interests helps his team navigate to the best available solutions.

Finding the Opportunities

Matt also values stepping back and re-framing issues to identify opportunities. Or more bluntly, as he puts it, “You can take momentum even from a crappy situation.” Reflecting on how this advice has played out in his experience, Matt explained that audit findings, oversight, and compliance issues, painful as they are, often free up the resources and attention to improve programs that have languished for too long, as in the case of the school health program. When it comes time to designing and implementing solutions, Matt has learned to frame issues in terms of progress: “We acknowledge that we’re starting at Point A, and while we want to be at Point E, there’s no way to get there just yet. So, what would be the best next step? How do we first get to Point B?” Progress can feel maddeningly incremental, but that doesn’t mean it isn’t meaningful. Former President Obama summed this up in a commencement speech at the University of Illinois in 2018: “Better is good. That’s the history of progress in this country — not perfect, better. Better is always worth fighting for.”

Leadership Takeaways

When the demands of managing a Medicaid program create difficult situations with competing interests and no optimal choices, Matt’s experiences highlight the following:

- **Understand your environment and your constraints.** Identify competing interests.
- **Lead with authenticity.** Be aware of your own reactions and preconceptions, be open about issues, gather input from different perspectives, and work to objectively assess those viewpoints.
- **Evaluate your options and come up with a plan.** If getting from start to finish on a problem isn’t possible from the outset, identify areas for incremental improvement.
- **Most challenges also come with opportunities.** Take a step back to identify what they might be. Recognize and take advantage of opportunities for incremental progress.

Additional Resources

For more information on leading in challenging circumstances, check out:

- [Leading Ways: Quick Six](#) – Highlights six steps that can help leaders make quick and thoughtful decisions. *June 2020*
- [General Rules for Uncertain Times](#) – Features tips to navigate uncertain times and the challenges that come along with it. *June 2021*
- [Emotional Intelligence](#) – Highlights the four essential dimensions of emotional intelligence that can be used to improve leadership effectiveness. *June 2021*



ABOUT THE CENTER FOR HEALTH CARE STRATEGIES

The Center for Health Care Strategies (CHCS) is a policy design and implementation partner devoted to improving outcomes for people enrolled in Medicaid. We support partners across sectors and disciplines to make more effective, efficient, and equitable care possible for millions of people across the nation. The *Lessons in Leadership* series is developed in partnership with CHCS and Emily Eelman. Emily is an experienced government executive and owner of Juniper Peak Consulting.