Identifying and Assessing Business Model Adoption for HIV Program Sustainability

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Disclosures

Presenter(s) has no financial interest to disclose.

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Who is in the room/session?

- Name/type of organization you represent
- Role in organization
- Your (or your organization's) biggest HIV program sustainability concern

Mission: To advance effective prevention, care, support, and health equity for people living with or at risk for HIV and hepatitis C—particularly within LGBT and other underserved communities—by providing education, capacity building, health services research, and advocacy to organizations, communities, and professionals.

Core Capabilities

Capacity Building

Health Services Research & Evaluation

Advocacy

Education & Training

- Diverse staff of professionals with HIV, HCV, and LGBT clinical, global, cultural competency, prevention, and other experience – particularly within LGBT and other underserved communities

- Numerous strategic partnerships with national and local organizations (non-profit, clinical, behavioral, political, and technological)

Learning Objectives

At the conclusion of this workshop, participants will be able to:

1. Describe the need to assess organizational and program sustainability in the changing HIV and healthcare landscape

2. Identify existing opportunities to implement new business models for HIV program sustainability

3. Examine existing tools for assessing organizational capacity, internal and external opportunities and threats, and assumed risk to determine business model adoption

Key Healthcare Sector Changes

- Reduction/re-direction in federal and state funding for public health services

- Enhanced integration of medical and public health systems

- Focus on quality, collaborative, and/or accountable care models

- Healthcare reform implementation

Public Health Funding

- Discretionary government money is changing at all levels for HIV prevention and care programs

- Realignment of funding to address sector changes

- Nearly all state and territorial health agencies have reported budget cuts starting in 2008 for prevention services

Healthcare Reform (ACA)

ACA impacts the systems that serve patients we work with, not limited to the following:

- Health Resources and Services Administration Ryan White HIV/AIDS Program (HRSA HAB)
- Centers for Disease Control and Prevention (CDC)
- Substance Abuse and Mental Health Services Administration (SAMSHA)
- Medicaid
- Medicare
- Federally-Qualified Health Centers (FQHCs) and Look-Alikes

Healthcare Reform

Challenges

- Reduced funding/ re-distribution of funding
- Emphasis on third party reimbursement
- Tremendous uncertainty – Ryan White HIV/AIDS Program
- Changes to reimbursements and payer mixes
- New rules for medical billing claims (potential for more errors – costly)
- More billing expertise needed

Opportunities

- More people will have insurance, access to services
- Third party reimbursement for prevention services (USPSTF)
- Enhanced care coordination
- Wrap-around services essential to achieve retention in care (CBOs possess unique skill sets for implementation)
- Medicaid payment reform to focus on value-based strategies

HIV Landscape

- National strategies/initiatives
  - Funding realignment
  - Increased accountability
- Biomedical advances
  - HIV has become a manageable, chronic disease
  - Treatment as prevention
  - Pre-exposure prophylaxis (PrEP)
  - Non-occupational post-exposure prophylaxis (nPEP)
- Federal/local HIV funding uncertainty
- Stronger tools to measure outcomes (HIV Care Continuum/ Data to Care)

Increasing Accountability

- National HIV/AIDS Strategy (updated through 2020)
  - Reduce new HIV infections
  - Increase access to care and improve health outcomes for PLWH
  - Reduce HIV-related health disparities
  - Achieve a more coordinated national response

- CDC's High-Impact HIV Prevention (2011)

- The White House's HIV Care Continuum Initiative (2013)

- HRSA's New HIV/AIDS clinical care guidelines (2014)

HIV Care Continuum
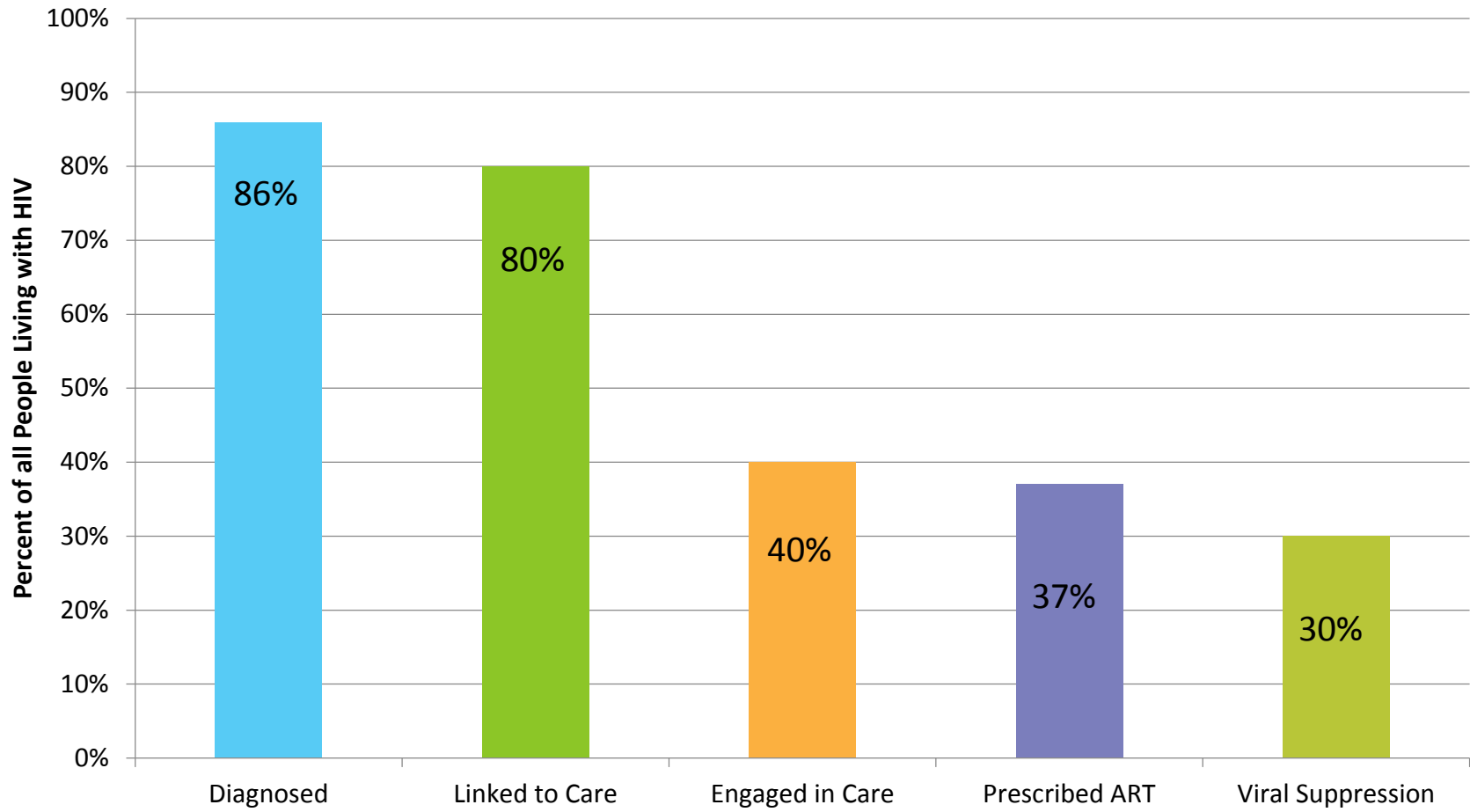
CDC. (2014). Vital Signs: HIV Diagnosis, Care, and Treatment Among Persons Living with HIV — United States, 2011. *MMWR*, 63(47), 1113-1117.
CDC. (2016). Care and Prevention for People Living with HIV, in *Today's HIV/AIDS Epidemic.*

Treatment as Prevention

- Goal: Achieve virologic suppression
    - Improved health outcomes
    - 96% reduction in transmission
    - Reduced mortality and morbidity

Models for Care Coordination/Integration of HIV Prevention, Care & Treatment

- Screening

  - Clinical and Non-Clinical Shared Role
- Diagnosis

  - Clinical
- Linkage to Care
  - Clinical and Non-Clinical Shared Role
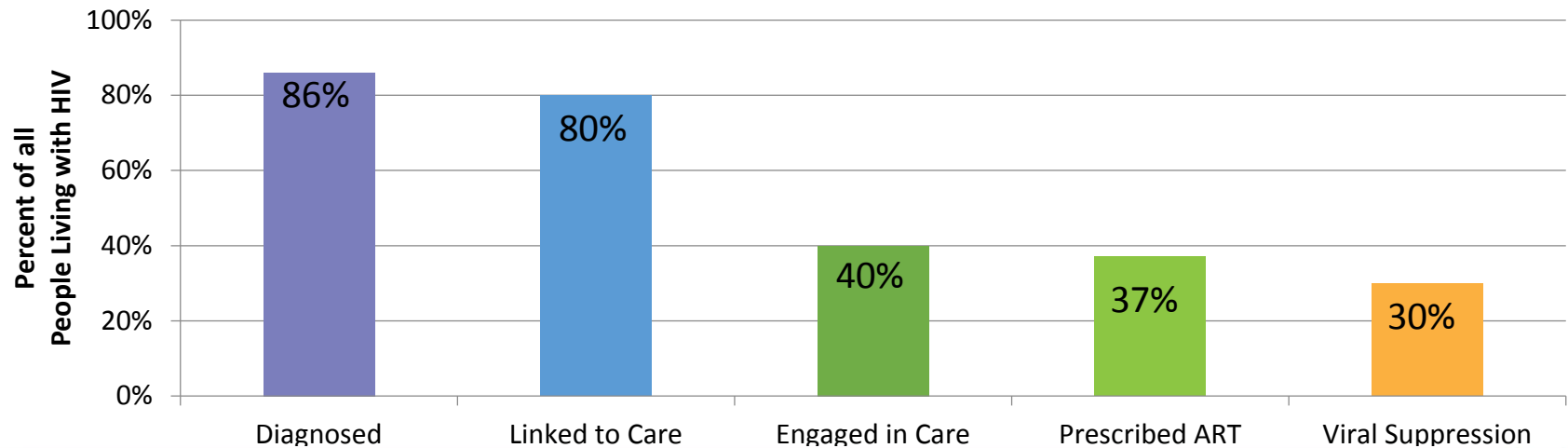- Retention in Care
  - Clinical and Non-Clinical Shared Role
- Treatment

  - Clinical and Non-Clinical Shared Role
- Viral Suppression
  - Clinical and Non-Clinical Shared Role

Bar chart — Percent of all People Living with HIV:
- Diagnosed: 86%
- Linked to Care: 80%
- Engaged in Care: 40%
- Prescribed ART: 37%
- Viral Suppression: 30%

Changing Healthcare & HIV Landscape

Why must HIV non-profits assess organizational and programmatic sustainability?

AIDS Service Organizations (ASOs) & Community Based Organizations (CBOs) Are Closing

"Central Coast HIV/AIDS Services to close July 1"
– Monterey Herald (2015)

"Baltimore HIV/AIDS nonprofit posts closing notice"

 – The Daily Record (2010)

"Seattle HIV/AIDS nonprofit to close after 25 years"
– KOMO News (2013)

"Sacramento HIV/AIDS Nonprofit Breaking Barriers Closing its Doors"
 – FOX 40 (2014)

Lessons From <u>For</u>-Profit Sector

Lessons From For-Profit Sector

When faced with a loss in revenue, most for-profit businesses would implement two strategies:

1. Reduce costs- where can we save money, or do we wind down?
2. Generate new business- do we increase sales/services, where might we expand, where might we focus, are there new business models/opportunities for our agency?

What do these companies have in common?

Organizational Capacity: Unwillingness to Innovate

- Started in 1985

- In 2000, Blockbuster turned down the chance to purchase **Netflix for $50 million.**

- In 2 Years (2003-2005), Blockbuster **lost 75% of its market value.**

- In 2004, Blockbuster had 9,000 stores and 60,000 employees.

- In 2014, **only 50 stores remained**.

What do these companies have in common?

Organizational Capacity: Willing to Change

- Started in 2007 as
  The Point - $1M Investment.

- In 2008, changed name to Groupon.
  Only 1 Groupon per day.

- In 2009, Groupon had expanded to 28 cities.

- In 2011, Groupon diversified its offerings to include
  Groupon Live, Groupon Getaways, & Groupon Goods.

- **Today**, Groupon is valued at over $5 Billion dollars with
  over 950,000 clients in 500 markets in 48 countries.

Why are Innovation & Change Important for Non-Profits?

- What happens when the amount of charitable giving decreases?

- What happens if we experience another economic downturn?

- What happens when a competing nonprofit offers the same or similar services at a lower cost/outcome return?

- **What happens when your cause is simply "no longer relevant" to main stream society?**

Lesson Learned: Strategic Thinking & Innovation Are Essential

"Having seen the future that we want to create, what must we…

   …<u>keep</u> from our past,

   …<u>lose</u> from that past and

   …<u>create</u> in the present to get there?"

Dr. Jeanne Liedtka

Assessing Opportunities for Change/Adaptation

Where do we start?

Guidelines for Assessing Capacity (from a "change manager")

- Don't get overwhelmed
- Use a team approach
- Everyone/every organization has a different starting pace
- The goal is improving your organization, as well as access to quality, competent services for your clients
- There are many resources available!

Ways to Determine Organizational/ Programmatic Sustainability

- Benchmarking
- Market Analysis
- Strategic thinking/planning (SWOT analysis)
- Stakeholder focus groups
- Risk assessment
- Financial profiling
- Organizational capacity assessment tools

Market Analysis: Assess the External Environment

- •Where are there gaps in resources/services? (community/client needs assessment)
    - Examples: HCV services, LGBT health, transportation, job training, etc.

- •Where are there (or is there likely to be) new funding opportunities
    - Care coordination services, including linkage to care, retention in care services
    - Any service that removes/addresses a barrier to medical care, i.e. mental health services, substance abuse services, medical transportation
    - Primary medical care

Market Analysis: Competition

Who is your competition?

(Real vs. Perceived)

What are ASO/CBOs Two Largest Competitors?

Build on Your Strengths

- What expertise does your agency have or the staff?
  - Are staff eligible to be credentialed to provide services?

- Are your services exportable to other chronic conditions?

- Can you demonstrate the expertise or outcomes?

- Are the services we provide cost-effective to our agency?
  - Is there a sustainable funding source for the service(s)?

- What do we do that needs improvement, and what shouldn't we do?

HealthHIV Service Collaboration Matrix

HealthHIV Service Collaboration Matrix

Organization Name:	Services									Organizational Development		
	A	B	C	D	E	F	G	H	I	J	K	L
	Do you currently provide this service?	How are you funded to provide it?	How is this service marketed to the community, clients, and other agencies?	How do you evaluate the effectiveness of the service?	If the service is not provided by your agency, how do you link or refer clients to other agencies?	How do you track service attainment following linkage and referral?	How do you outreach to re-engage clients in this service?	Do you have a contractual relationship that addresses sharing of client data?	Which agencies do you want to develop a contractual relationship with?	Do you have access to technical and subject matter experts in this area?	Have you sought technical assistance in this service area within the last 12-24 months?	Is this area an organizational priority now or in the future?
Primary Medical Care												
Primary HIV Care												
Medical Case Management (PLWH)												
Case Management (Non-Medical - PLWH)												
Substance Abuse Services												
Mental Health Services												
Nutritional Services/Food Bank												
Emergency Financial Assistance												
Housing Services												
Prevention for PLWH												
Support Groups												

Assess Duplication/Efficiencies– Can You Save Money?

- How are services and activities organized?
  - Funding vs. function

- How are services and activities related to the HIV continuum of care?
  - How do services improve the health outcomes of the community that you serve?

Assess Staff Capacity

- Do the staff have the capacity and/or credentials to take on new activities?
  - I.e. expanding roles for community health workers, billing third-party payers

- Considering the duration of a funding stream, do you have the capacity to hire and train staff in that time, and keep them on afterwards?

Assess Internal Environment

- Is there space available for new staff?

- Are there facilities for service delivery?

- Will adding a new service/focus population/location require staff culture change?

- Will adding a new service be consistent with our mission and community needs? Do we need to adapt/change our mission/vision?
    - Has our mission been fulfilled?

What will be the risk and consequence(s) to implement a new service/business model?

Risk Assessment & Consequence Management Tool: Determine whether or not to pursue a potential funding opportunity/service expansion/business model adoption by ranking the level of risk.

Consequence		Rare	Unlikely	Possible	Likely	Almost Certain
Disastrous		Yellow	Dark Green	Red	Red	Red
Sizeable		Yellow	Yellow	Orange	Red	Red
Limited		Light Green	Yellow	Yellow	Orange	Orange
Minor		Dark Green	Light Green	Yellow	Yellow	Yellow
Minimal		Dark Green	Light Green	Light Green	Yellow	Yellow

Risk (Likelihood)

Case Management Example: Risk

	RISK LEVEL 1 = Very Low 2 = Possible 3 = Moderate 4 = High 5 = Very High				
STAFFING: Case Management					
	1	2	3	4	5
1) With an expansion in services, at least 1 new staff member will be hired.					
2) With an expansion in services, each staff member will need 1 additional certification.					

Case Management Example: Consequence

STAFFING: Case Management	CONSEQUENCE 1 = Minimal 2 = Minor 3 = Limited 4 = Sizeable 5 = Disastrous				
	1	2	3	4	5
1) Existing staff workload will increase with service expansion.					
2) Billing staff will need to bill for these new services.					
3) The new service requires the funds are tracked for the service provided (i.e. funds cannot be used to cover other costs).					
4) The new service requires a 5% increase in staff reports (i.e. additional reporting requirements).					
5) The new service requires staff to learn additional policies and procedures.					

Determine Where to Invest: Innovation Planning Models

Organizational Capacity Investments

1) **Environmental Scans & Analysis**
   - Competition – Real vs. Perceived
   - Market Share Availability

2) **Business Strategies vs. Emotional Decisions**
   - Acquisition Costs of a New Donor and/or Client
   - Retention Costs of a Donor and/or Client
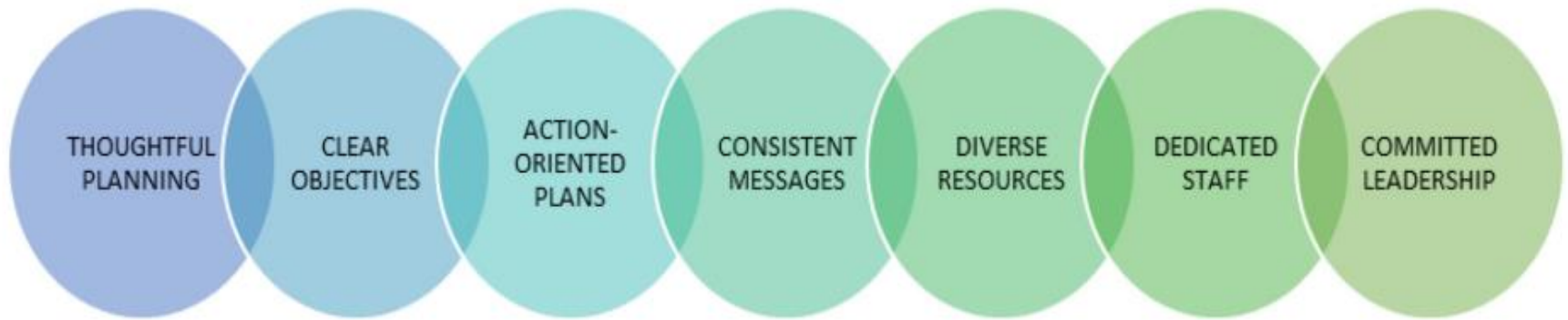   - Profit Based vs. Zero Based Budgeting

3) **Human Capital**
   - Organizational Culture Shifts & Change
   - The Best & Brightest
   - Leadership Development

4) **Marketing & Branding**
   - Current Brand Presence
   - Ability to Increase Brand Value & Market Positioning
   - Media Relationships

Organizational Capacity: Sustainability Success Factors

THOUGHTFUL PLANNING · CLEAR OBJECTIVES · ACTION-ORIENTED PLANS · CONSISTENT MESSAGES · DIVERSE RESOURCES · DEDICATED STAFF · COMMITTED LEADERSHIP

Assessing Opportunities for Change/Adaptation

What are some possible considerations for my organization?

Strategic Considerations

- If your agency is a clinical provider:
  - Maximize third-party reimbursement
  - Service expansion consistent with mission and community needs
  - Medical home/ health home models (PCMH, FQHC, etc.)
  - 340B Pharmacy
  - Geographic expansion

- If your agency is a behavioral health provider:
  - Maximize third-party reimbursement
  - Or establish third party reimbursement
  - Service expansion consistent with mission and community needs

Strategic Considerations

- If ASO/CBO or a clinical/behavioral provider
  - Assess capacity for third party reimbursement
  - Service expansion consistent with mission and community needs
  - Establish partnerships and contracts with other service providers including PCMH, FQHCs, other ASO/CBOs
  - Fee-for-service opportunities
  - Consider opportunities for strategic alliances, mergers/acquisitions
  - Wind down?

Real-World Examples

- Strategic expansion of services/mission
  - Housing Works – NYC
  - NO/AIDS Taskforce = CrescentCare community clinic

- Strategic alliances
  - Whitman-Walker Health/Metro Teen AIDS
  - Fenway Health/AIDS Action Committee of Massachusetts

- Mergers
  - AIDS Resource Center of Wisconsin
  - Citiwide Harm Reduction/ Bronx AIDS Services = BOOM!Health

Resources & Technical Assistance

Tools for Organizational Capacity Assessment

- **HealthHIV's "ASO/CBO Sustainability Assessment Resource Tool"**
  - ✓Governance & Leadership
  - ✓Planning & Visioning
  - ✓Financial Management & Resource Development
  - ✓Human Resource Management

- Coming soon from HealthHIV's *Fiscal Health: From Systems to Sustainability Program^{TM}*!
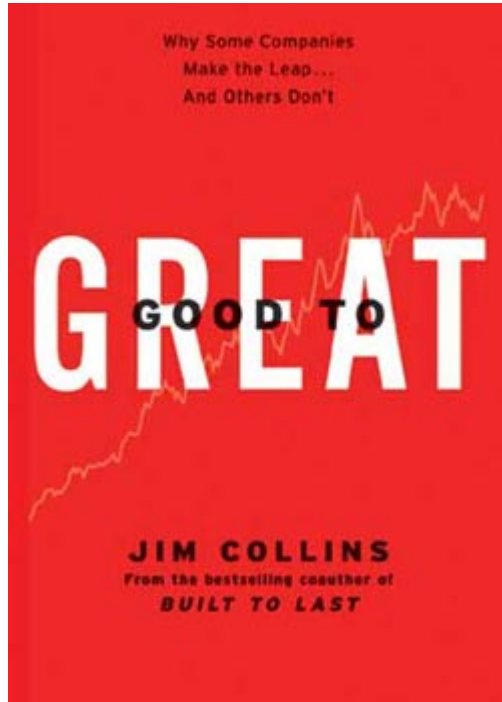
In the meantime…

Organizational Capacity Assessment Tool

- Marguerite Casey Foundation
- Based off the McKinsey Capacity Assessment Grid
- Analyzes and Measures Four Key Areas

       1) Leadership Capacity

       2) Adaptive Capacity

       3) Management Capacity

       4) Operational Capacity

http://caseygrants.org/resources/org-capacity-assessment

Resources & Tools
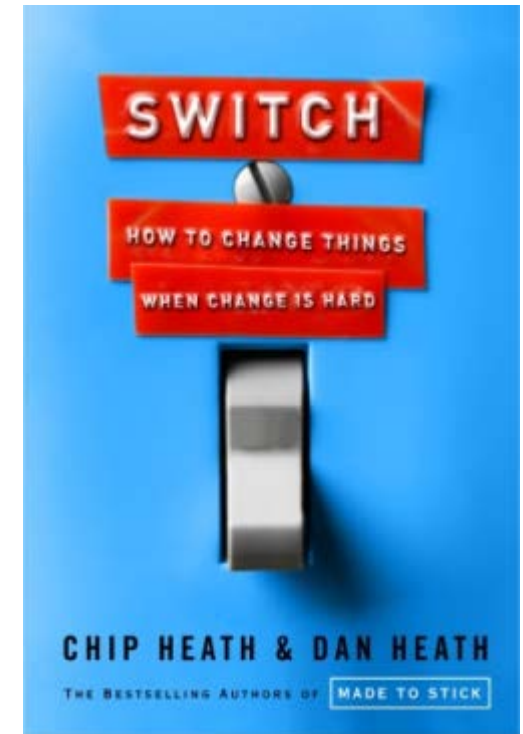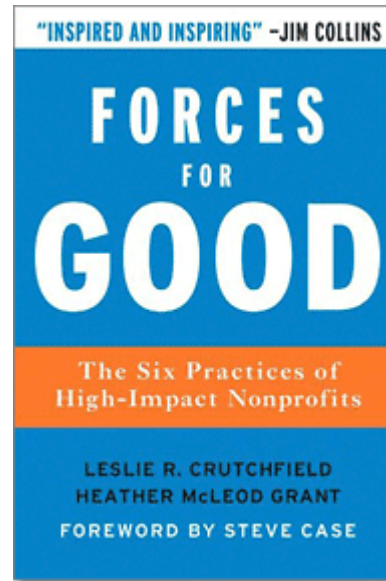
HealthHIV's ASO/CBO Leadership Training and Certificate Program™

- First-of-its-kind online training & certificate program for ASO/CBO leaders and emerging leaders

- Includes six, self-paced, one-hour modules that address strategic planning, change management, biomedical and strategic advances in HIV/AIDS, funding diversification, impact of Medicaid and health care exchanges, and partnerships, mergers, and acquisitions

- Participants receive a Certificate of Proficiency in ASO/CBO Leadership upon completion

Also Coming Soon: ASO/CBO Board of Directors Training and Certificate Program™

- Online training & certificate program with Certificate of Proficiency upon completion

- Topics being determined may include biomedical and strategic advances in HIV/AIDS, funding diversification, governance, leadership, and others

For More Information & Technical Assistance

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