

The Changing Business Landscape of Aging Services

Karol Tapias

Deputy Director, Aging and Disability Business Institute

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.

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How we help

- National resource center
- Training and technical assistance for community-based organizations (CBOs)
- CBO readiness tools
- Outreach and education to health care sector

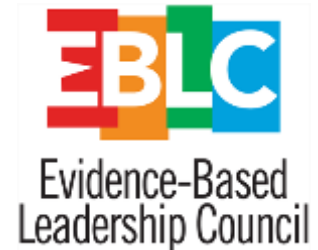
Our Funders



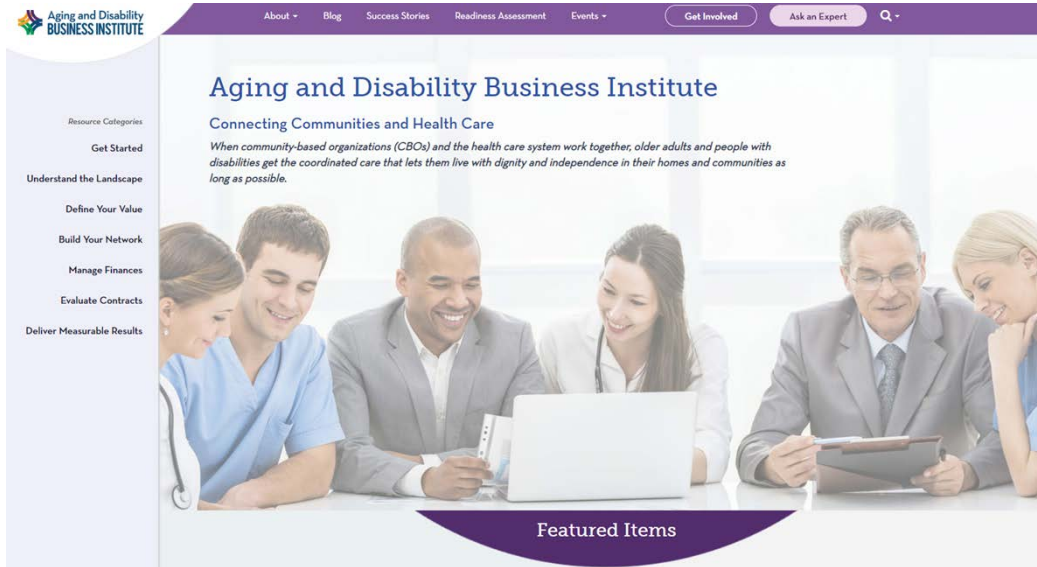
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Our Partners



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The Health Care Landscape



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59% of older Americans find some things difficult when navigating the health care system, such as:



understanding
their **bill/benefits**



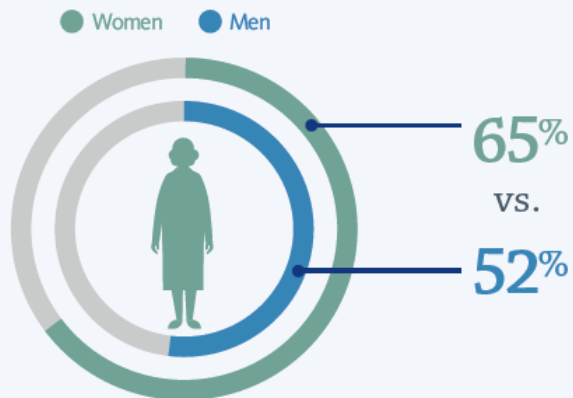
understanding
their **diagnosis**
and **deciding**
on treatment



communicating
effectively with
their health care
providers

Women Report Greater Challenges Managing Their Care

According to the survey, women 60 and older are more likely than men to report at least one challenge with navigating the health care system.



These challenges may include:



knowing their benefits/how to get the most value from their health insurance,



understanding their diagnosis and deciding on treatments/medications,



and making sure that they are communicating with their health care provider effectively.

Survey of Adult Caregivers* Highlights Need for Additional Support

A complementary survey fielded by The Harris Poll among caregivers demonstrated even lower confidence in navigating the health care system than older adults. Key findings include:

Nearly
8 in 10



(79%) caregivers believe that they would be able to better help the person they care for manage their health if they better understood their benefits.

Specifically, caregivers surveyed identified several options that would help them better navigate the health care system on behalf of the people who they provide care for, including:



Talking to the doctor of the person who they care for



Reading reviews and other self-help tools



Consulting with the insurer of the person who they care for

Drivers of Change



Policy/Regulatory



Cost Containment



Consumer Need/Demographics



Access to Care



Need for Integrated Care

Chronic Disease & Complex Care

About 80% of older adults have one chronic disease.

68.4% of Medicare beneficiaries have two or more chronic diseases and 36.4% have four or more.

More than two-thirds of all health care costs are for treating chronic diseases.

95% of health care costs for older Americans can be attributed to chronic diseases.

Less than 1% of health care dollars are spent on prevention to improve overall health.

Buzzwords in Health Care



INTEGRATED
CARE



SOCIAL
DETERMINANTS
OF HEALTH



REFORM



COST



QUALITY



PERSON
CENTERED



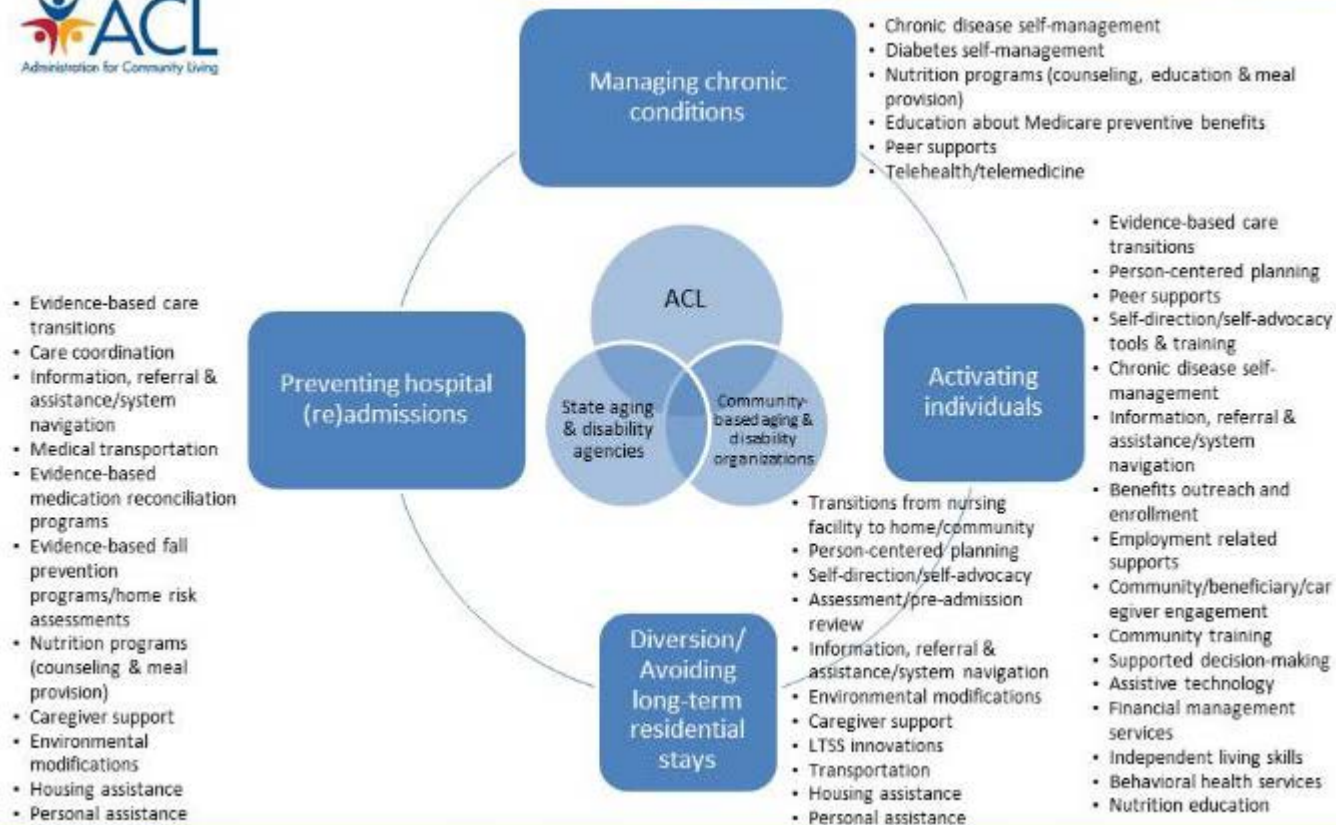
PATIENT
EXPERIENCE



OUTCOMES



HEALTH EQUITY



Where Community Based Aging and Disability Organizations Add Value

CBO Health Care Engagement Opportunities



Expand mission to new populations



Create sustainable & innovative business models



Close gaps in health care/SDoH services coordination



Enhance achievement of Triple Aim



Movement to Integrated Care: CBO & Health Care Partnerships

CBO Survey

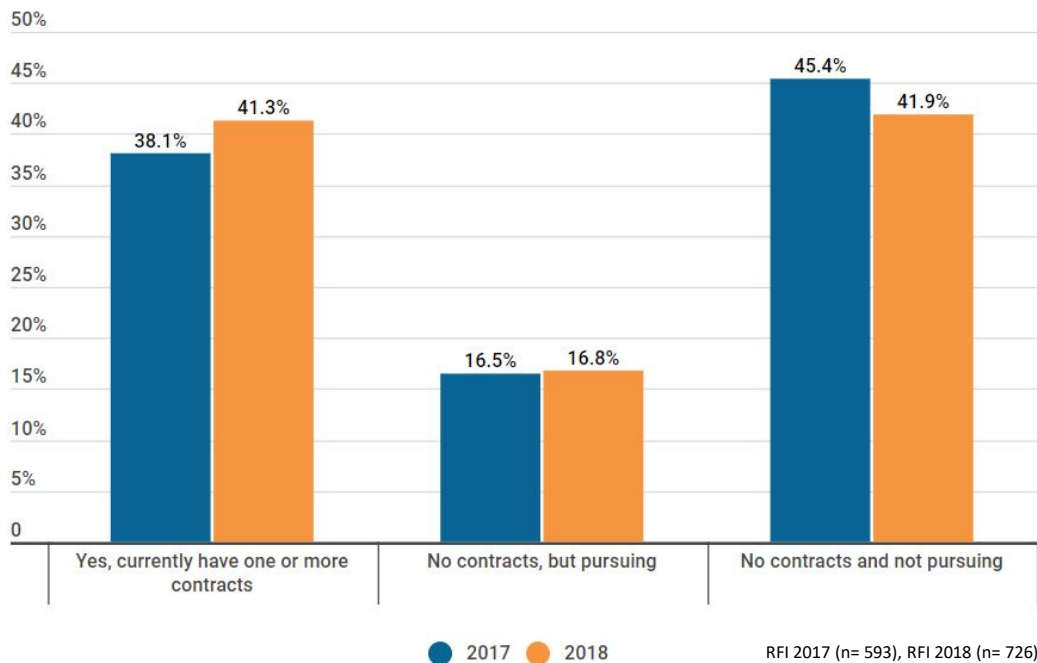
To Take the Pulse of CBO-Health Care Partnerships



T1: 2017

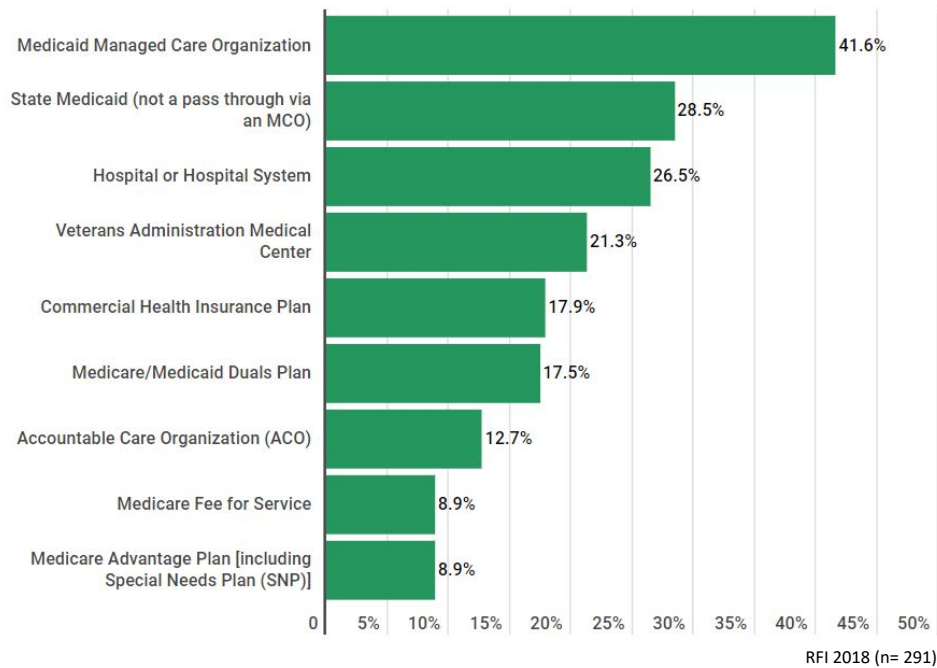
T2: 2018

Overall Contracting Status by Year



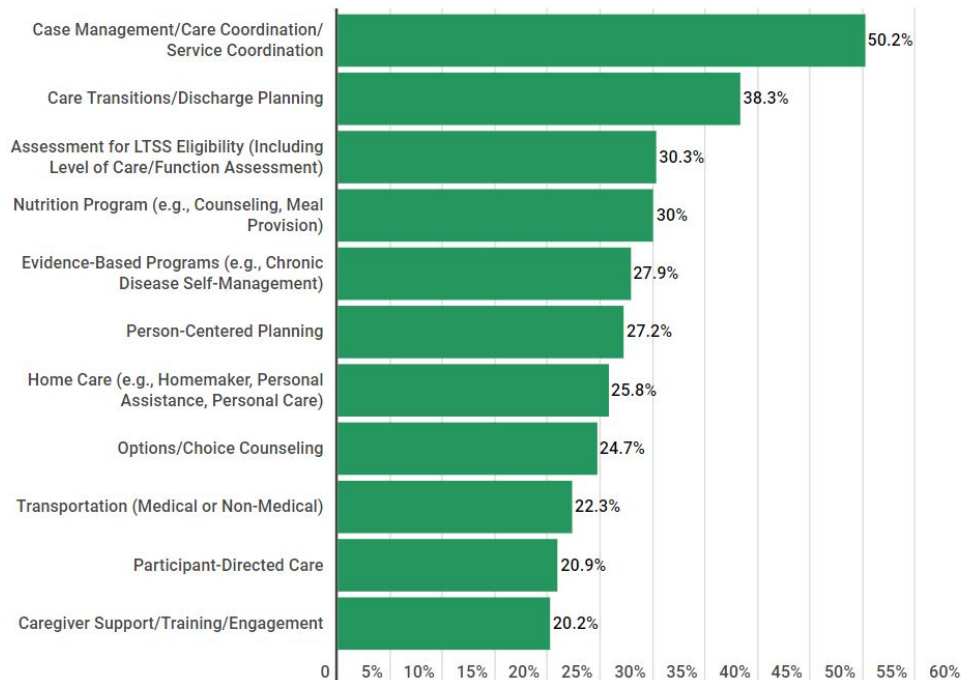
The data used in this graph was collected through a survey conducted by Scripps Gerontology Center at Miami University on behalf of the Aging and Disability Business Institute, led by the National Association of Area Agencies on Aging (n4a). For more information, visit http://bit.ly/cbo_contracts.

Most Common Health Care Partners for CBOs with Contracts



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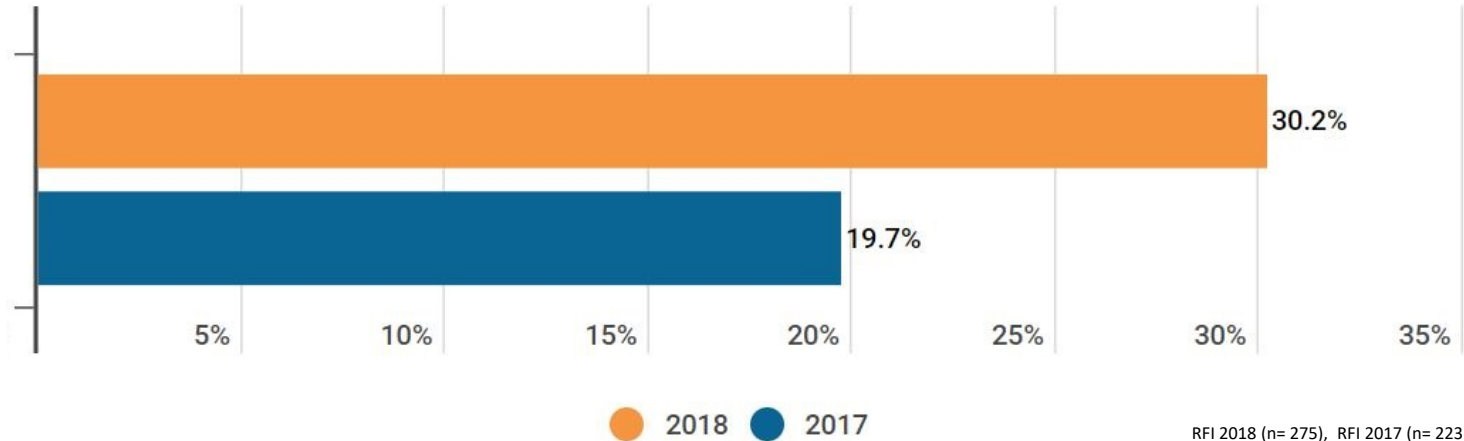
Most Common Services Provided Through Contracts



RFI 2018 (n= 287)

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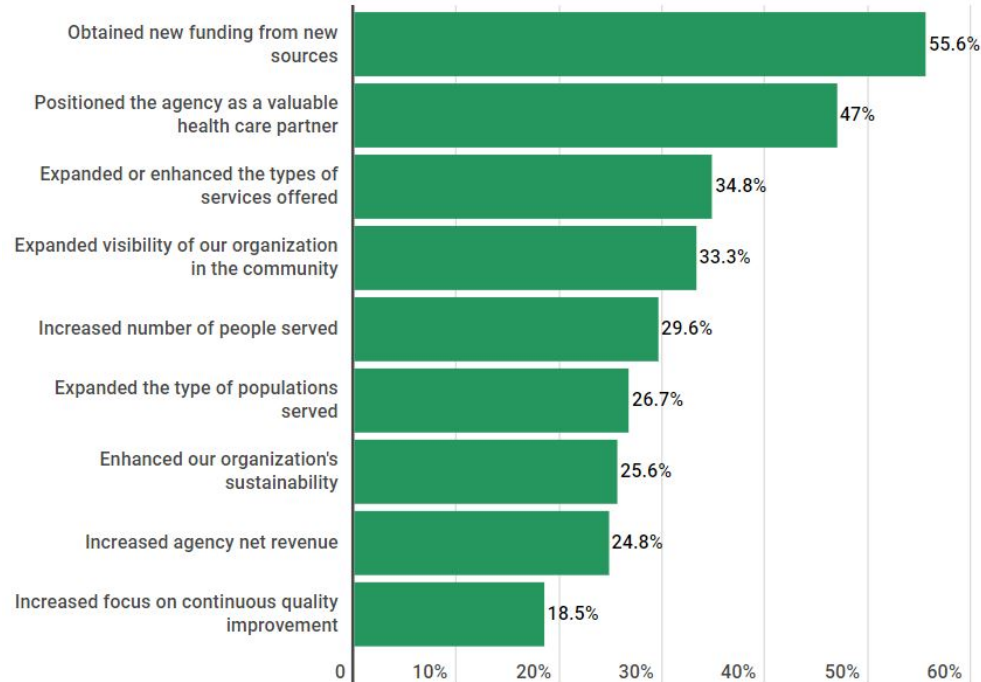
CBOs Contracting Through Networks by Year



RFI 2018 (n= 275), RFI 2017 (n= 223)

The data used in this graph was collected through a survey conducted by Scripps Gerontology Center at Miami University on behalf of the Aging and Disability Business Institute, led by the National Association of Area Agencies on Aging (n4a). For more information, visit http://bit.ly/cbo_contracts.

Most Common Experiences of Contracting



RFI 2018 (n= 270)

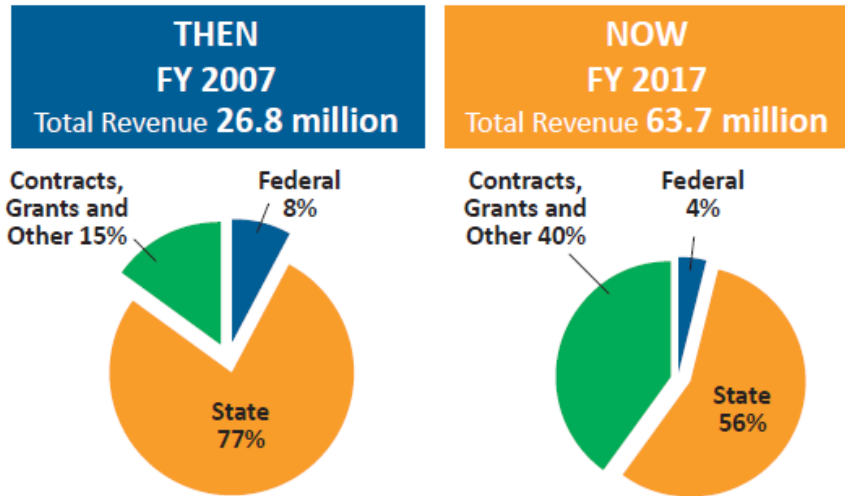
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Top 5 Challenges in Contracting by Contracting Status

	Organizations with one or more contracts (n=274)		Organizations with no Contracts but pursuing (n=122)		Organizations with no contracts and not pursuing (but tried and were unsuccessful) (n=28)	
1	Time it takes to establish a contract	33.9%	Common understanding of proposed programs/services	39.3%	Attitudes of health care professionals toward your organization	42.9%
2	Common understanding of proposed programs/services	33.6%	Integration of your organization's services into health care system workflow	38.5%	Competing priorities within the health care community	35.7%
3	Referrals and volume	27.4%	Attitudes of health care professionals toward your organization	34.4%	Leadership changes within health care entities	32.1%
4	Attitudes of health care professionals toward your organization	25.9%	Willingness of your organization to take financial risk	27.9%	Integration of your organization's services into health care system workflow	32.1%
5	Integration of your organization's services into health care system workflow	24.8%	Time it takes to establish a contract	27.0%	Common understanding of proposed programs/services	28.6%

Successful contracting is possible

Elder Services of the Merrimack Valley



- Agency **REVENUE** and **STAFF** more than **DOUBLED** in 10 years
- **26% decrease** in reliance on state funding
- **50% decrease** in reliance on federal funding
- **137% increase** in contracts, grants and other

Success Stories: Evidence-Based Programs



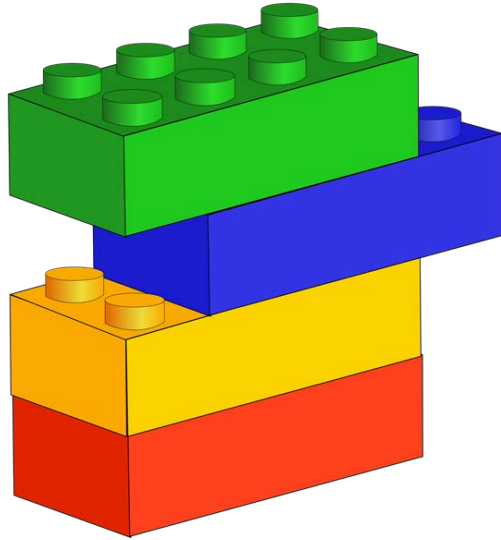
ROI of EBPs in Reducing Admissions, Readmissions, and Length of Stay

- Referrals from transitions of care nurses to EBP has resulted in reduction in readmissions
- Depression Screening and plan = \$1100 savings in health care costs per patient
- Controlled hypertension estimated cost savings per patient \$460

Enabled to a great degree by a **data-sharing MOU** between the state Health Information Exchange, MAC (the CBO) and its health provider partners

So what does it take to contract?

Building blocks: Organizational culture



One of our most important lessons from our work related to building business capacity...

Culture matters

In a lot of ways, this shift can feel like...



This involves commitment at all levels...Staff, Managerial, Executive, Board



What kind of culture are we talking about?

An expanded view of your landscape: Customers, Clients, Payers, Competitors, & Partners

Sales and customer service focus

Data-informed decision making

Flexibility

Understanding your real costs

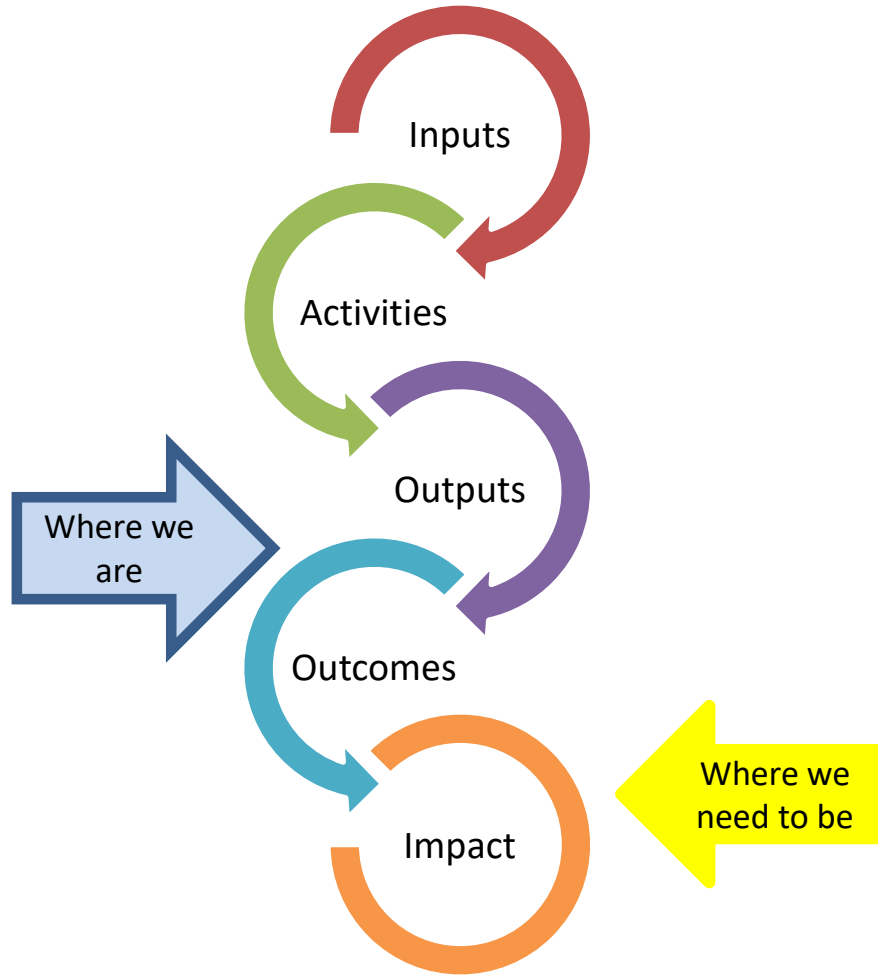
Emphasis on speed and volume

Focus on outcomes, quality, performance and results

Having the systems in place to support the strategy

Vision, innovation, and excitement

Measuring Success



Building blocks: Market analysis

Understanding your market (aka...do your homework)

- Existing and changing dynamics
- Who are your customers (payers AND clients)?
- What do they want/need?
- What are their pain points?
- What are your network's strengths (and weaknesses)?
- Who are your competitors?
- What regulatory and political factors might impact your ability to deliver services and attain contracts?

Building blocks: Service lines/packages

Which service(s) does your organization or network have the capacity to deliver?

What is your history of delivering those services?

What is your organizational stature in the market?

Building blocks: Relationships/ champions

- Who is in your network?
- Who isn't, but needs to be?
- Who are your champions?
- And who are potential saboteurs?



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Building blocks: Infrastructure

What is your infrastructure for referrals, billing, and tracking outcomes?

Health Information Technology

- Which data elements do you need to collect?
- How will you transfer information to other entities (payer, state health information exchange, partners, etc.?)

How will you bill for services?

Understanding Your Value



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Building blocks: Pricing/cash flow

What are your costs to deliver the service(s)? What can the market bear?

- True cost to deliver the service (direct costs)
- Indirect rate required to deliver said services
- Market rate for the service
- Value of the service to the payer
- Market demand for said services
- Access to proposed services in the market



Building blocks: Volume

- How will you generate and sustain client volume?
 - Contract language
 - Referral processes
 - Plan/provider staff level buy-in
- How will you meet potential demand? (Staffing, partnerships)

Building blocks: Quality

- How will you track quality of the services you provide?
- How will you use what you collect to manage performance?
- How will this factor into payer quality systems (i.e. star quality ratings, reporting systems, etc)?
- How will you ensure the quality of services of network partners?
- Will you seek out accreditation?

Aging and Disability CBO-Health Care Partnerships: What Works and Why?



Finding and nurturing champions



Shared vision, mission, and language



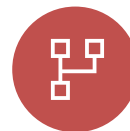
Agreements that support that shared vision, and capitalize on CBO strengths while addressing a payer's/partner's "pain points"



Openness and flexibility



Culture change in both sectors



Integrated, efficient work flows



Adequate infrastructure to support the partnership



Clearly defined and open data-sharing protocols

Emerging Opportunities Related to Integrated Care

Bipartisan Budget Act of 2018 & CHRONIC Care Act

New tools and strategies to address the needs of people with Medicare who have complex care needs

- Permanently authorizes Special Needs Plans (SNPs) which target high-need/high-risk Medicare beneficiaries
- Promotes integration in D-SNPs, and reduces barriers to care coordination in ACOs

Opportunities – Medicare Advantage (MA)

Expansion of Medicare Advantage supplemental benefits

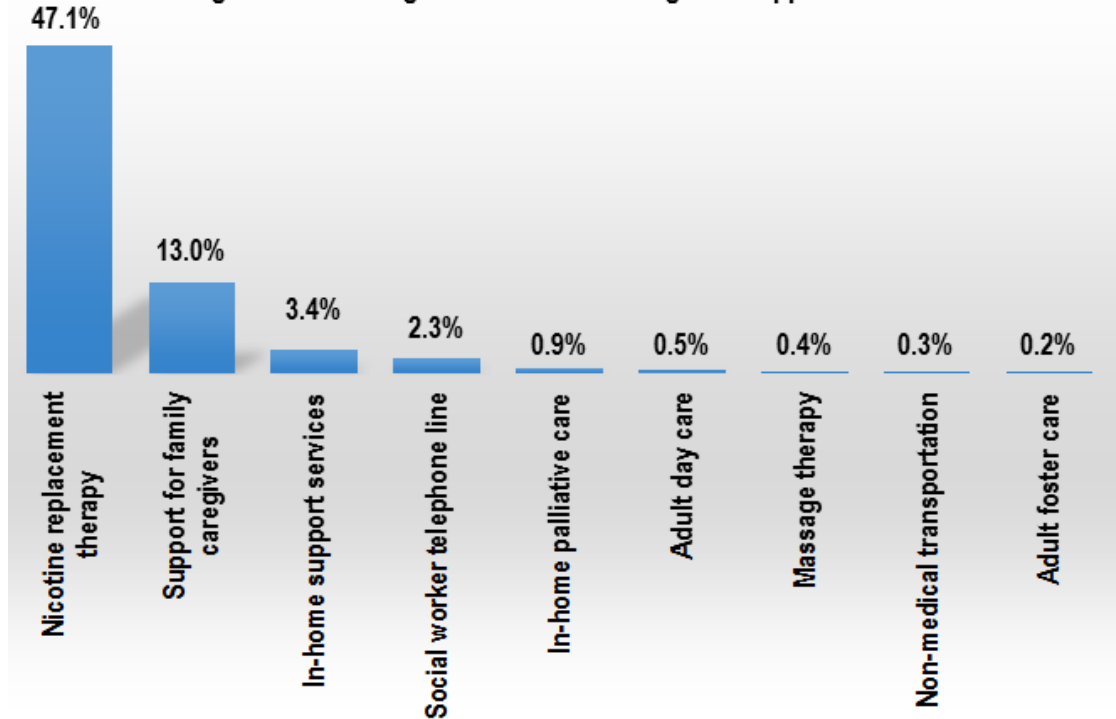
- Includes flexibility to offer some types of home and community-based services
- Called Special Supplemental Benefits for the Chronically Ill, or SSBCI

Changes in the following areas:

- Uniformity requirements
- Targeting of beneficiaries
- Definition of “primarily health-related”

What are we seeing in 2019?

Figure 1: Percentage of MA Plans Offering New Supplemental Benefits in 2019



<https://blog.aarp.org/2018/10/30/supplemental-benefits-in-medicare-advantage-whats-changing-in-2019-and-whats-not/>

Changes for 2020

Expands supplemental benefits to allow benefits that “with respect to a chronically ill enrollee, have a reasonable expectation of improving or maintaining the health or overall function of the chronically ill enrollee and may not be limited to being primarily health related benefits.”

The Secretary may waive uniformity requirement for supplemental benefits to chronically ill enrollees

What can be covered?

Plans can propose items or services that are:

- Are not covered by Original Medicare,
- Are primarily health-related, and
- Have a non-zero direct medical cost to the plan in furnishing or covering it.

Again, all three criteria must be met in order for a plan to be able to propose a service as a supplemental benefit in its plan benefit package (PBP).

Examples of allowable types of supplemental benefits

- Adult day care services
- Home-based palliative care
- In-home support services
- Respite care
- Transportation (to doctor's visits)
- Home modification (e.g., safety devices and modifications like grab bars, shower stools, stair treads)
- Support for caregivers
- Meals (beyond limited basis)
- Food and produce
- Transportation for non-medical needs
- Pest control
- Indoor air quality equipment and services
- Social needs benefits
- Complementary therapies
- Structural home modifications
- Services supporting self-direction
- General supports for living

Value-Based Insurance Design (VBID)

VBID: Overview & history

Allows MA plans to testing a broad array of complementary innovations and structure cost-sharing and other health plan design elements to encourage enrollees to use the services that can benefit them the most

Participating insurers can offer

- reduced cost-sharing for high-value services or providers,
- reduced cost-sharing contingent on beneficiary participation in disease management, or
- provide additional supplemental benefits (e.g. eye exams for those with diabetes).

New in 2020: Open to plans (including Special Needs Plans) in all 50 states

Primary Care First

Primary Care First Model Options

Set of voluntary 5-year payment options that reward value and quality by offering an innovative payment structure to support delivery of advanced primary care

Offered in 26 regions in 2020, including Ohio

Include primary care practitioners certified in internal medicine, general medicine, geriatric medicine, family medicine, and hospice and palliative medicine.

Must provide primary care health services to a minimum of 125 attributed Medicare beneficiaries at a particular location

2 models

- General payment model option
- High need populations payment model option

Where to begin?

Readiness Assessment Tool

What: An online tool that guides your organization through the process of successfully preparing for, securing and maintaining partnerships with the health care sector.

Who: Community providers (of all types)

How: Visit n4a's Aging and Disability Business Institute website

aginganddisabilitybusinessinstitute.org

Tool's Purpose

Determine agency's readiness to partner

- Leadership
- Staffing/resources

Completing a Market Analysis

- Landscape
- Competition

Developing a Value Proposition

- Negotiation strategies
- Prospective partners

Targeting agency readiness needs

Recommendations for completing the Tool








Organize a meeting and invite key staff & stakeholders (board/advisory, county government, high level vendors, etc.) to participate.

Explain the purpose, objectives, process.

Select moderator(s) to guide the session.

Complete the Tool's modules-select responses that best represent the organization's vs. an individual's position.

Contact n4a for additional technical assistance if needed

✓ 	Change Readiness	▼
✓ 	Strategic Direction Readiness	▼
✓ 	Operational Readiness	▼
✓ 	Management Readiness	▼
✓ 	Leadership Readiness	▼
✓ 	External Market Readiness	▼
✓ 	Partnership Development Readiness	▼

7 Modules

Module 1:Change Readiness



Change Readiness

In this module, you will explore the current internal readiness of your organization. A strong component of successfully navigating the process of securing healthcare partnerships is in properly preparing your organization for the change that is required. This process requires significant change to the culture of the organization.

Prior to starting this module, a review of the following resources might be useful:

- 🌐 [Four Ways to Know Whether You are Ready for Change](#)
- 🌐 [Change Readiness the New Change Management](#)

4

Bookmark



Notes



Has the culture of the organization been considered in preparing for this change initiative?

 Additional Information

- ☐ 1 - Not aware; No progress made
- ☐ 2 - Aware; No progress made
- ☐ 3 - Aware; Little progress made
- ☐ 4 - Aware; Significant progress made
- ☐ 5 - Complete

Results & Analysis



Readiness Assessment Tool

[My Profile](#)

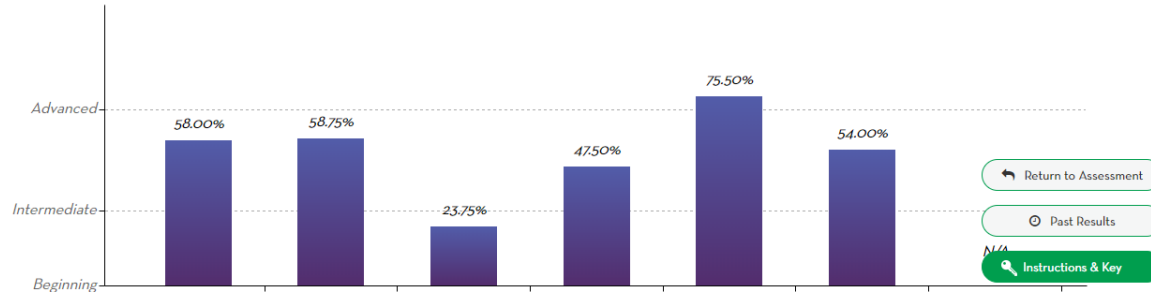
[Logout](#)

Your Assessment Results

Now that your organization has taken the readiness assessment, it is time to utilize the results and take action that puts your organization one step closer to being prepared to engage in partnerships with the healthcare sector. To prioritize and pursue the next steps for your organization, you may seek consulting and coaching support provided by Collaborative Consulting who specializes in working with organizations to prepare for, design and implement cross-sector partnerships. [Learn more.](#)

 [Print or Download Your Results to PDF](#)

Maya DEMO - 1/21/2019



Top Take A Ways

After taking this Readiness Assessment your agency's top 2-3 business/strategic priorities may be clearer.

These results can aid in development of targeted Technical Assistance needs (TA).

The collective review and completion of the Tool among agency staff can foster a keener awareness of key staff's capacity, contributions and concerns.

New Assessment Tools Available Late Fall 2019



External
Assessment



Competitor
Analysis



Opportunity
Assessment



Building the
Case

Final Words of Wisdom

Look internally first – Check your readiness, your culture, and your infrastructure

Define your value – what services are marketable and can be brought to scale

Now, look at your network – what relationships do you already have and what steps do you need to take to broaden your network

Reach out to the Business Institute!

Questions?

For more information:

www.aginganddisabilitybusinessinstitute.org

Karol Tapias

ktapias@n4a.org

202-719-8880