



STRATEGIC PLAN 2020-2025

Playbook

Midterm Goal 4:

Community-based organizations are financially sustainable, strong, and working collaboratively with health and other systems.



Context: Strategic Plan 2020-2025

In October 2020, the Health Foundation for Western and Central New York announced a new vision statement and strategic plan that will guide the work of the Health Foundation through 2025. An extensive planning process that began in 2019 has resulted in a new organizational vision statement, as well as three long-term goals and corresponding mid-term goals to pursue that vision. **Our new vision is a healthy central and western New York where racial and socioeconomic equity are prioritized so all people can reach their full potential and achieve equitable health outcomes.**

The Health Foundation's mission will continue to be improving the health and health care of the people and communities of western and central New York. The plan also reaffirmed the Health Foundation's commitment to young children impacted by poverty; older adults; and the community-based organizations that serve them.

Our new vision will be pursued through a set of long- and mid-term goals. This playbook provides an overview of why we chose a specific goal, and how we plan to pursue it.

Midterm Goal 4: Community-based organizations are financially sustainable, strong, and working collaboratively with health and other systems.

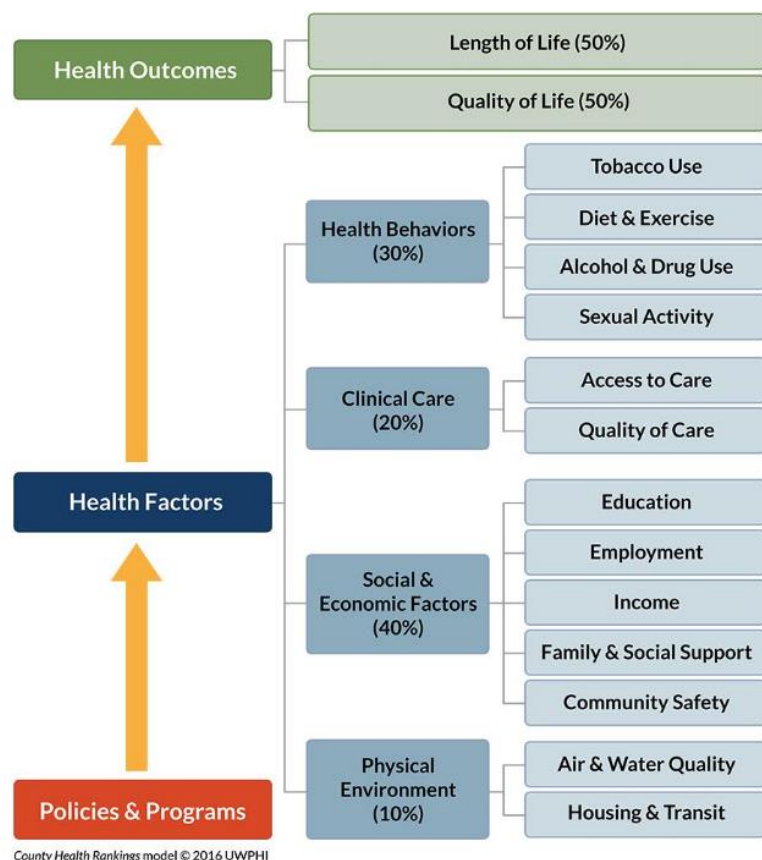
The Health Foundation for Western and Central New York believes that any work towards a healthier community has to begin with partnerships between the medical and social sectors of care. These partnerships are the only way to address the social determinants of health, reduce ballooning health care costs, and improve outcomes and patient quality of life. For these partnerships to take root and be sustainable, our local community-based organizations must be healthy. The Health Foundation is committed to continuing to build the capacity of local non-profits to serve their communities and create a healthier western and central New York. We believe that a healthy non-profit social sector leads to a healthy community.

The Health Foundation has long served as a convener for stakeholders in the region and has supported service provider efforts to collaborate and adopt new business models. This has included supporting the formation of independent provider associations made up of federally qualified health centers, and a community-based integrated care collaborative that provides a vehicle for community-based organizations to contract with health plans for social care services.

The Health Foundation also has a long record of supporting safety net programs and has established relationships with many of the key systems players in our regions. By leveraging our past experiences with supporting and nurturing networks, we plan to continue to serve as a convener and facilitator of systems-level improvements towards a healthier western and central New York.

BACKGROUND

Community-based human services organizations are an essential part of creating vital, healthy communities. From an economic standpoint, human services CBOs employ more than three



million people across the country and are powerful drivers of their local economies through their spending on wages, rent, and other materials and supplies.

From a service provision standpoint, CBOs provide critical services to address the social determinants of health. When many people think about health care and improving the health of a community, their initial thoughts might be around doctors, hospitals, and other medically oriented services. However, medical care only accounts for approximately 20 percent of the modifiable factors that contribute to overall health. The remaining 80 percent of factors that can be modified are considered social determinants of health; these include health

behaviors as well as social and economic factors. Having world-class care when an individual is in the hospital is important, but if they don't have a safe home to go back to when they are discharged or meals to eat, they are unlikely to have good long-term health outcomes.

CBOs play a significant role in addressing the SDOH by offering chronic disease self-management programs, opportunities for older adults to socialize, job coaching, temporary house assistance, and many other invaluable services.

Despite their importance for improving the health of communities, the reality is that many social sector CBOs continually operate on shoestring budgets and need a wide array of capacity building support. The Health Foundation supported a report published by the Alliance for Strong Families and Communities, "*A National Imperative*," which identified a number of challenges faced by non-profit organizations that prevent them from reaching their full potential. These challenges fell into four categories, each of which will be briefly discussed: financial stress, operational shortcomings, mistaken beliefs about CBOs, and talent and technology limitations.

Operational Shortcomings: There are several organizational shortcomings that continue to stymie the human services ecosystem. Persistent organizational siloes are one of the biggest obstacles; CBOs operate in isolation with a lack of integration, collaboration and information sharing. The competitive funding environment contributes to these siloes, since organizations are applying for the same pots of funding, they can be reluctant to share information and collaborate with their competitors.

Mistaken Beliefs about CBOs: The mindset of people operating in a capitalistic system can lead to negative perceptions about CBOs. If profit is good, then not making a profit is bad, therefore non-profit organizations are not valuable. Even among people who do not have explicitly negative perceptions about CBOs, there is often a lack of understanding and appreciation of the value that CBOs provide; in addition to the services they provide to the community, CBOs employ over 3.2 million Americans and account for over \$200 billion in direct economic activity.

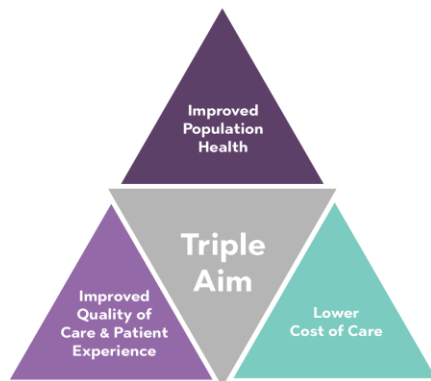
Talent and Technology Limitations: CBOs consistently rate “difficulty maintaining talent” as one of their largest challenges. Funding challenges make it difficult to hire sufficient staff and offer competitive salaries. This “overstretching” of staff, combined with undercompensating makes it challenging to attract and keep highly qualified people. This leads to insufficient staffing, high turnover, and reduces institutional memory. All of these challenges limit the abilities of CBOs to provide the highest quality services to their communities. Additionally, many CBOs have outdated technology and software that limits their efficiency and effectiveness. Additionally, these IT issues limit their ability to demonstrate the kinds of outcomes they increasingly need to measure to secure funding. Despite the growing recognition of the critical importance of updating IT systems for CBOs, many funders are reluctant to pay for these kinds of improvements.

Financial Stress: Human service CBOs are in overall poor financial health. One in eight is financially insolvent, with total liabilities that are greater than their total assets. More than 40% have insufficient liquid assets to meet their immediate needs, and nearly 50 percent have a negative three year operating margin. ***Close to one third of human services CBOs do not have the cash reserve to cover a month of operating expenses.*** This was true prior to the COVID-19 pandemic, which has drastically worsened the situation for many CBOs in the region. The financial stress faced by many CBOs is the result of many factors, including government contracts that fail to sufficiently reimburse CBOs for services provided, and sometimes are late in paying for services that have already been provided. Additionally, government contracts often place a high administrative burden on small organizations and the funding is typically extremely restricted, meaning that CBOs have very limited flexibility in how to use that funding.

The ongoing poor financial health of the non-profit sector has long been a concern for philanthropy; grant dollars are a finite resource, and there is increased awareness that CBOs need to diversify their funding streams in order to boost their financial health. This has led to greater interest within the philanthropic sector in helping CBOs improve their business acumen and facilitate collaboration. Nationally, there has been an increased awareness of how substantially social determinants of health impact individual and community health and the corresponding role CBOs play in creating and maintaining health communities.

In 2010, the federal government opened the door for increased collaboration between CBOs and health systems to address the social determinants of health with the passage of the Affordable Care Act (ACA). With this opportunity came additional complexity and uncertainty for CBOs that have traditionally not been Medicaid or Medicare billing entities. There has been a sense of urgency for CBOs that want to diversify funding streams and partner with health systems but lack the capacity to.

The underlying rationale for encouraging health systems to partner with CBOs is the “Triple Aim,” created by the Institute for Healthcare Improvement (IHI). The Triple Aim includes three focal points—improved population health, improved quality of care for individual patients, and lower cost of care. In order to strengthen all three of the focal points, health care and social care providers would need to work together to address not just the clinical needs of individuals, but the social determinants of health as well.



The call for improved coordination between health care and social care providers was not new, but the Triple Aim was a paradigm shift in the sense that it required providers to move away from the traditional view of a medical model and social care model working within their individual spheres of responsibility and adopting new ways of working together to achieve integrated care. Achieving the Triple Aim also called for new business models so both health care and social care providers would need to develop new skills and business acumen. Clinicians were asked to move from

“fee for service” volume-based business models to “value-based payment” models that reward better health outcomes. Community-based organizations were told they should anticipate a shift away from grants-based revenue models supported by state and federal dollars, and a move toward contracting with a wide array of new business partners including health plans, managed care organizations, and hospitals.

Significant investments were made by the Centers for Medicare and Medicaid Services (CMS) to support the shift in business models, including the Delivery System Reform Incentive Program (DSRIP). In New York State, the bulk of this investment flowed through hospital systems, and has been criticized for not doing enough to address the needs of CBOs that are not set up well to be successful in the evolving system. Most CBOs rely on a combination of federal, state and philanthropic grants, as well as fundraising, to make up their annual budget. As noted in *A National Imperative*, CBOs often lack the business acumen and the technological infrastructure to be able to track outcomes, demonstrate a return on investment, and develop business propositions. This has hindered their ability to partner with health systems. The Administration for Community Living and National Association for Area Agencies on Aging (N4A) developed trainings for CBOs and have been providing technical assistance to address these needs. However, more time and investment of resources is needed to bring emerging business models up to scale.

WHAT THE HEALTH FOUNDATION HAS DONE TO DATE TO ADDRESS THIS GOAL

Leadership Development: The Health Foundation has long recognized that organizational siloes hinder CBOs ability to thrive. In response to this, the Health Foundation developed their flagship Health Leadership Fellows program. The Fellows program is for established leaders, rather than emerging leaders, and it was envisioned as being an incubator for collaboration and a way to break down silos. The goal was to develop a cadre of community leaders that would work together to achieve better health outcomes in western and central New York. The Health Foundation has sponsored and completed nine cohorts of the program, is recruiting for a tenth, and there are currently more than 300 graduated Fellows that continue to come together in multiple ways including the Fellows Action Network (FAN). Most recently, the Health Foundation is providing an opportunity for Fellows to work together on a variety of projects that promise to turn the curve on persistent barriers to better health outcomes, which the Fellows identified themselves, through the Health Leadership Fellows CALL to Action program. To date, there are five CALL to Action demonstration projects that have been funded, across several of the Health Foundation's midterm goals.

Organizational Capacity Building: Community-based organizations provide vital services to the community, but many of these organizations and agencies lack the tools and business savvy to be sustainable in the current environment. The recognition of the challenges posed by the current environment resulted in the creation of **Ready or Not** and **Get SET**, each of which were designed to help local CBOs evaluate and increase their own capacity for service delivery, while emphasizing sustainability and engagement of their staff and boards. These programs were designed to meet the needs of organizations of varying sizes and resources, but all share a common purpose: Provide practical tools and strategies along with expert technical assistance to increase organizational capacity to meet the needs of the populations they serve.

As noted above, there are many misconceptions about human services CBOs, and a general lack of understanding of the value these organizations provide to the community. In response to this, the Health Foundation partnered with the Gifford Foundation in Syracuse to create a new, more targeted capacity building program. **StoryGrowing** was developed to help organizations increase their communications potential and teach them how to “sell” themselves to different audiences—by creating value propositions, using media, and stories to convey the importance of their work. The Health Foundation currently partners with the Oishei Foundation to offer StoryGrowing WNY.

Network Building: The Health Foundation is committed to strengthening the safety-net of providers that care for the most vulnerable members of our community. Over time, the work the Health Foundation does to support the safety net has evolved from encouraging communication and trust-building, to sharing resources and best practices. In recent years, the Health Foundation has supported the creation of several networks of providers and community organizations. Two of these networks are Independent Practice Associations made up of federally qualified health centers (FQHCs) and other safety net providers: Safety Net Association of Primary Care Affiliated Providers of WNY IPA (SNAPCAP IPA) and Upstate IPA, which is comprised of Central New York providers. These IPAs are building their collective

capacity to secure value-based payment contracts and achieve greater financial stability. The other network supported by the Health Foundation is the Western New York Integrated Care Collaborative (WNYICC), which is a community-based integrated care network that brings together Area Agencies on Aging and CBOs to provide a vehicle for participating in new revenue-generating opportunities while reducing costs to individual organizations. Similar to physicians' Independent Practice Associations, these networks allow participating organizations to remain independent while serving as a contracting and billing vehicle for a group of partners.

Western New York Nonprofit Support Group: The Western New York Nonprofit Support Group is a collaborative whose goal is to increase the capacity of community-based organizations that serve the communities of Western New York. The collaborative represents a partnership between five of the largest foundations in the Western New York region and has a particular focus on understanding the needs of marginalized organizations, including organizations in the rural areas and community-based organizations not previously engaged by local foundations. This collaborative partnered with some consultants to conduct a local asset scan and identify places where resources can best be leveraged for achieving sustainable change. This asset scan largely confirmed the findings of “*A National Imperative.*” This group of funders are currently working together to identify ways they can collectively support the non-profit ecosystem, including the Catchafire initiative that began in 2020. Catchafire helps non-profit organizations connect with volunteers based on the skills that would be most helpful to their needs.

Addressing the Technology Needs of CBOs: The Health Foundation has funded two projects focused on addressing the technology needs of CBOs. These include one CALL to Action demonstration project that seeks to strengthen small CBOs ability to collect and share data. The other focuses on technology readiness of CBOs to work in a virtual environment and offer virtual services. This project leverages the reach of the CBO Consortium of Upstate New York and supports outreach and recruitment efforts to increase its membership base. Through the CBO Consortium, the Health Foundation supports the development of training webinars, and assessment of individual organizations “tech readiness.”

2020-25 STRATEGIES

Build CBO and Health Care Organization Capacity for Cross Sector Collaboration through Fellows Program

The Foundation will continue the Health Leadership Fellows program with Cohort 10 while simultaneously assessing the appropriateness of the current program for addressing equity goals. The results of this assessment will be used to further refine the curriculum to support and strengthen the equity focus and will be presented to the Board for Cohort 11. Additionally, the Health Foundation will continue to support the Fellows Action Network and the CALL to Action.

Build Capacity of CBOs and Federally Qualified Health Centers

The Health Foundation will explore the development of business case for FQHCs serving older adults and convene FQHC leadership to discuss trends in aging and caregiving. By reviewing

landscape research already completed by Capital Impact Partners as well as exploring the national landscape to identify best practices, Foundation staff will develop an action path proposal to bring to the board.

Support Existing and New CBO Collaboratives by Providing Capacity Building and Convening Support to Share Best Practices

The Health Foundation will continue to advise WNYICC and help disseminate lessons learned to other CBOs looking to create their own collaborative network. Additionally, we will work with the CBO Consortium of Upstate New York by leveraging it as an outreach, convening, and training vehicle to help accelerate building the capacity of local organizations. We will explore opportunities for partnership between the Human Services Leadership Council in central New York and CBO collaboratives in western NY, as well as look for connections between the existing CBO collaboratives and other strategies in the Foundation's strategic plan.

Advocate for Financial Sustainability of CBOs by Elevating CBO Value among Health Systems, Policymakers, and Within System Redesign Conversations

The Foundation will identify opportunities to join existing and emerging advocacy efforts to elevate the conversation about the role of CBOs in community health and efforts to improve their financial sustainability. The Alliance for Strong Families report on the health of the non-profit sector, as well as scans of local CBOs done by CGR, made several recommendations that could be starting points for advocacy, such as greater unrestricted state funding and appropriate indirects to support operating costs. The advocacy plan will be discussed with the Community Impact Committee and an action plan developed.

Research and Examine Potential to Support Rural, Place-Based CBO Health System Collaboration

Rural areas are chronically underserved and have less access to all types of medical and social services. The Health Foundation is interested in increasing access to services, building community capacity and developing a place-based pilot program. Potential strategies for identifying an appropriate pilot include leveraging the existing age-friendly health system efforts as a starting point, allowing the Foundation to engage with hospitals that self-select in to quality improvement efforts, as well as leveraging FQHC interest in working to serve more older adults in their communities.

KEY PERSONNEL

Marnie Annese—Assists in oversight and collaboration with the Fellows Action Network and liaison to central New York CBO collaboratives.

Jordan Bellasai—Assists with development of advocacy efforts.

Ken Genewick—Assists in capacity building efforts related to older adults and caregivers.

Diane Oyler—Provides general support for all capacity building efforts; lead on exploring FQHC/CBO partnerships

Nora OBrien-Suric—will provide leadership and help develop new strategic partnerships to advance the work.