OBJECTIVES

What are some of the “big picture” changes that you think are important for success?

How has this work changed your organization’s culture and the way it operates?

What were some barriers you encountered? How did you address you those barriers?

What were some initial steps or processes you completed in creating relationships with health care orgs?

“It is not necessary to change. Survival is not mandatory.”

~ W. Edwards Deming
COUNCIL ON AGING: WHO ARE WE?

41 years of service to older adults, families and caregivers

State-designated Area Agency on Aging since 1974

Butler, Clermont, Clinton, Hamilton and Warren counties

One of largest non-profits in our region
Our Mission & Vision

**Mission:** Enhance the lives of adults by assisting them to remain independent at home through a range of quality services.

**Vision:** Every senior adult in our region shall have a choice and range of services that will assist them to remain independent in their chosen environment.
COA’s Core Functions

- Administrator
- Aging & Disability Resource Connections
- Pre-Admission Review
- Care Management and Care Coordination
- Care Transitions
- Area Agency on Aging
COA BY THE NUMBERS - 2012

20,459 clients receiving in-home services

Nearly 2 million home-delivered meals (to 10,011 homebound older adults)

2.1 million hours of in-home care

280,047 trips to doctors, senior centers

29,322 requests for information about help for seniors

160 education and support sessions with caregivers

102 advocacy meetings with clients and elected officials

From 2012 annual report
BIG PICTURE CHANGES: COA’S STORY

Moving from:

To:
HOW DO I BEST DESCRIBE OUR CURRENT SITUATION?

It feels like this...

but we aren’t standing and waiting.....

We’re more like this... just a step ahead of a speeding bullet.
COA in 2006

"Family" orientation

We are "Number One"

Advocacy and "heart" over budget

Staff mindset
The Environment

In 2006

- Managed Care Pilot proposed for PASSPORT in the Cincinnati Region
- Pressure to reduce Medicaid spending
- Competition for scarce resources

In 2011

- Significant budget reductions proposed – state and federal
- State Integrated Care Delivery System is proposed and approved (Duals Demonstration)
WHY CHANGE??

Bottom line: We could see our funding streams changing and more competitors entering the market.

Past: We were reimbursed for our costs from Federal, State and Local entities.

Present: Fee for service is here (or almost here)

Care Transitions

Medicaid waiver services will be provided through a managed care company (MCO).

Future: We will sell our services on a per unit basis to MCOs and other payers with a promise to achieve certain outcomes.
OUR BIGGEST QUESTION:

In 2006, Can we compete?

- We had the history of being a “monopoly” with state and local funding
- We get the money without having to compete for it
- Must rid ourselves of the “entitlement” mindset

In 2011

- Can we compete for business with Managed Care Companies?
- What are the right products?
- How should we be positioning our organization for future relevance?
In short, we had to prepare for the future and know:

we are able to offer **the highest quality** services

at a **competitive price**

to maintain our **market share** and **profit margin**.
Did you say “profit margin”?

Yes.

But we are non-profits, isn’t that illegal?

No.

I am still not sure this is right.

Non-profits that earn revenue put their revenue back into programs and services to provide Better Service to More Clients.

Disclaimer to make the CFO’s happy: There is a bit more to it and there are a few rules, but as long as they are followed, it’s okay for a nonprofit to bring in more than it costs them to provide services.
We are nonprofits – why should we be concerned about being “competitive” and having a “market share”? 

Because:

Aging is a hot market

high demand + low supply = profit potential

Others believe they can do it better.

Others can do it at a lower cost.

Others can do it and make money at it.
PLAYING TO WIN

MEANS WE CAN CONTINUE TO SERVE OUR CLIENTS!
Strong Market Position

Relationships

Culture

Systems

People

Structure

Strategic Focus: Strengthen and Position the Organization

Big Picture Changes
**Strategies Employed**

Reform provider processes and ensure effectiveness and efficiency of provider contracting, communication and referral process.

Ensures COA maintains its competitive edge.

Build a strong organizational culture.

Innovate both in staffing, technology, organizational operations and service package design and delivery.

Ensure workforce is aligned with new integration models, technology, and future care delivery system.

Ensure composition of the Board of Trustees and Advisory Council reflects expertise needed to provide oversight of execution of strategic plan.
STRUCTURE TO SUPPORT HIGH PERFORMING TEAMS

Business Results and Innovation

- Business Intelligence (analytics)
- Business Results (quality)
- Project Management
- Business Development

Innovative Human Resources – Executive Level

- Self Directed Teams
- Team Educators

Creative staffing structures – additional duty, contract employees
Get the People in the Right Seats on the Bus
Put Systems in Place to Support the Strategy

Build Cost and Pricing Models

Bring Program and Finance People Together

Know how every position is paid for

Relate cost to services sold

Train everyone!

Pay for Performance

Technology

Business Intelligence Systems

Care Management Systems

VPN access for telecommuting
CREATE THE CULTURE

Data Driven Decision Making
Focused on Outcomes, Quality and Results
Play to Win
Use Cost and Price Models – to price services, understand the cost of operations, and drive the culture change
## Care Transitions Program
### Carl's Grocery Store Model
#### For July 2012

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<tr>
<th>Fixed Costs</th>
<th>Cost</th>
<th>Clients</th>
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<tr>
<td>Program Admin Personnel Costs</td>
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<td>Kim Clark - Kim Hotel - Phyllis Clemens - Mary Whipple - Christine Bonner</td>
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<td>Coaching Personnel Costs</td>
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</tbody>
</table>
BUILDING THE RIGHT PARTNERSHIPS

Select the right partner – Look for “influencers”

Define roles and responsibilities

Start small, create wins, and spread

Work towards integration

Lot’s of TLC
Sharon “Madi” Fusco, BSBA, MHR
Director of Business Results and Innovation
Council on Aging of Southwestern Ohio
(513)746-2645 Direct line
sfusco@help4seniors.org Link to Help 4 Seniors website

QUESTIONS?

THE ANSWER.