

The Advancing Resilience and Community Health (**ARCH**) initiative was designed to help networks of nonprofit community-based organizations (CBOs) develop new contracts, payment models, and partnership approaches with healthcare payors to achieve better health outcomes across the United States. Through ARCH, NFF partnered with three networks – EngageWell IPA (New York), Metropolitan Alliance of Connected Communities (Minnesota), and Thomas Jefferson Area Coalition for the Homeless (Virginia) – to explore myriad contract and partnership opportunities.

One of the goals of the ARCH project was to share what we learn so that others considering partnerships can benefit from the knowledge and experience of those who have already had the chance to explore contracting opportunities. Following are some key takeaways and a closer look at each network's experiences with healthcare contracts and partnerships.

## Key Takeaways:

- There's a huge opportunity cost that comes with investing tremendous amounts of time and resources to explore partnership opportunities.
- Healthcare doesn't always have a clear payment mechanism for contracts with CBOs, and how and where they access funding to pay for services varies greatly. In most cases within ARCH, healthcare partners are not actually paying CBO networks and/or do not have long-term funds to dedicate to a contract.
- While some payors do have the financial resources and structure to pay for services, they aren't willing to deviate from their existing business model.
- Healthcare partners often require pilots because they need a demonstrated return or proof of concept to dedicate their financial resources to a contract/partnership.
- Pilots don't pay (enough), yet they require a significant investment from CBO networks to organize, invest in data, report and negotiate with healthcare.
- This process becomes extractive for the CBOs as they are often expected to acquiesce to healthcare's data and compliance regulations – making large upfront investments in their data and operation systems – without any guarantee of a long-term contract or sustainable revenue.

## TYPES OF CONTRACTS AND/OR PARTNERSHIPS EXPLORED

- **Managed Care Plan contracts to provide care coordination for individuals with substance use disorders and other complex needs:** The goals were to re-engage people with substance use disorder in outpatient primary and behavioral health care and to pilot an integrated care model that incorporated low-threshold services like harm reduction services into the health care continuum. There were numerous bureaucratic hurdles to manage in each contract and partnership, and in at least one case data analysis revealed that addressable populations were smaller than anticipated. There has been no significant progress to date.
- **Value Based Payment (VBP) contract for Federally Qualified Health Centers (FQHCs) with a Managed Care Plan:** FQHCs suffered during COVID-19 when patients stopped coming through their doors. The FQHC members of EngageWell's network hoped that a VBP contract would smooth payments and stabilize their business model. One VBP contract is still in process, but it is too small to sustain EngageWell's business operations and does not benefit its non-FQHC members. In addition, this specific contract is about optimizing revenue streams for FQHCs for a medical model of care as opposed to providing purely social determinants of health (SDOH) services. However, despite not focusing on SDOH, it is appealing to the partners as a foundation from which to develop new services that better meet the needs of patients.
- **Home and Community Based Services (HCBS) between two managed care plans and three CBOs within the network:** New York State provided dedicated funding that was passed through the managed care organizations to EngageWell and some of its members. The HCBS Infrastructure project highlighted various barriers to caring for the complex populations EngageWell was meant to serve – barriers evidenced by low take-up of available services. After hearing feedback from HCBS providers, including several EngageWell member organizations, the State applied for an updated waiver from Centers for Medicare and Medicaid (CMS) to address barriers to care and improve engagement in community-based behavioral health services. The health plans will not pursue this partnership in the absence of renewed dedicated financial support.

## WHAT WE LEARNED

- Medicaid reimbursements can be complex, and it is not always in the best business interest of a health plan to lower their medical expenses. Spending more on medical expenses typically means a plan can spend more on administrative expenses, especially if the innovation is paid for with administrative dollars.
- Many of the proposed contracts were for FQHCs to refine payment streams for services that were already Medicaid billable. However, it was difficult to find payment mechanisms for small CBOs whose services are not covered by Medicaid.
- For FQHCs that are not allowed to participate in a values-based contract directly, EngageWell was able to play an important role by serving as a third party to participate in the contract on their behalf.
- While EngageWell has been instrumental in sourcing new contract opportunities, managed care plans lack a strong economic incentive to do this complicated work. This makes these plans less willing to actually pay for services – let alone pay the network to act as an intermediary.
- Data analysis is critical to identifying the scope of the potential problem/opportunity. Investing time and resources into building relationships and contract development without this data can be extractive for the IPA.

## TYPES OF CONTRACTS AND/OR PARTNERSHIPS EXPLORED

**18-month pilot to develop and test a collaborative “tracked referral model” with bi-directional referrals to address health-related social needs identified during clinical care:** An initial feasibility study and planning period was conducted in 2018 with the goal of connecting patients to resources in their community by integrating MACC’s Client Track system with healthcare’s NowPow technology. Desired outcomes included: improving client health outcomes; creating a seamless referral experience for clients; developing a greater understanding of the complexities of partnerships between CBOs and healthcare; reducing access of high-cost emergency healthcare services; and gathering data to secure future payor support for ongoing partnerships.

The pilot became operational in 2020. However, healthcare partners stopped seeing patients for several months during the early stages of the COVID-19 crisis, delaying the flow of referrals substantially. Of the six organizations participating in the pilot, only two received referrals – the majority from one of the two healthcare partners. Overall, MACC felt that the concept for integrated referral processes was proven, but implementation took more time and capacity from all partners (network, organizations, and healthcare) than anticipated.

Due to limitations in time and referral volume, the pilot did not answer questions around the impact on health outcomes. The pilot also did not develop a bi-directional referral process due to increased cost for healthcare partners involved, impacting a full understanding of the outcomes.

## WHAT WE LEARNED

- Implementation of the Client Track/NowPow data integration across partner organizations did provide value to individual member organizations in their ability to track referrals, metrics, and outcomes, but also required extensive capacity to set up and train users from MACC as an intermediary.
- Building trust and clear communication pathways between healthcare and network partners is critical to setting expectations, guiding feedback, and establishing protocol.
- An intermediary is absolutely necessary to manage the relationship between technical partners on a data integration like this. MACC played a critical role in clarifying expectations, project management, communication, and costs – as well as managing a revolving door of technical personnel at both database companies.
- While pilots are valuable for testing new models, they are often extractive for CBOs who must invest heavily in aspects of their business that don’t directly benefit their clients. Additionally, finding the financial resources for these investments is a fundraising hurdle for CBOs.
- While aggregating and utilizing data across multiple organizations has the potential to change the ways services are delivered, there are few dedicated funding sources that can be accessed to promote an actual shift in service delivery.

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- **Pilot to explore the use of Medicaid to bill for supportive housing services:** Leveraging Virginia's status as a Medicaid expansion state, TJACH aimed to increase health outcomes and decrease emergency room costs for people experiencing homelessness who are high utilizers. The pilot was slow-moving with conversations between potential partners centering on trying to find a shared value and benefit in partnership. After two years – one of which was dominated by the COVID-19 pandemic – there is little willingness to take risks. If the pilot had been established earlier, it could have withstood the crisis, but it was too new.
- **Exploring pilot with a single hospital department to address a specific chronic health condition:** The goal is to show that targeted housing interventions, including both direct housing support and supportive services, would help five to ten patients manage their chronic illness and improve their health outcomes. This began as a grant-funded project from a local community foundation.
- **Contract with a local hospital:** The goal of this contract is to expedite social security income and disability income applications and payments for people experiencing homelessness. While the contract is currently active, it doesn't cover the full costs incurred by TJACH.

## WHAT WE LEARNED

- Even when there is mutual interest, partnerships take a long time to develop. It takes time for healthcare and CBOs to find common language and understand what motivates the other party to participate.
- While establishing trust within a given community is crucial, it doesn't guarantee success for a contract.
- Deciding to step away from time-intensive projects with uncertain returns despite national momentum around pursuing CBO-healthcare contracts allowed TJACH to focus its energy on where its community most needed its help - coordinating housing and services for vulnerable adults who were most at risk for COVID-19.