# Building Self-Sustaining Programs: Business Acumen Learning Collaborative Discussion

The IL-NET National Training and Technical Assistance Center at ILRU led a Business Acumen Learning Collaborative (BALC) in July 2019. Ten centers for independent living (CILs) were selected from numerous applicants to participate in the twelve-month learning collaborative focused on creating business propositions and building self-sustaining programs. Three of these CILs provided insights and strategies into the process of learning a new way of doing business in a panel discussion moderated by Richard Petty from the IL-NET. The highlights of this videotaped conversation are shown below. The entire discussion is available on-demand at <https://www.ilru.org/training/building-self-sustaining-programs>.

These three CILs describe their key strategies and how they fostered change in different environments. The CILs participating in the discussion were:

* *Michelle Crain, Executive Director,* Lifetime Independence for Everyone (LIFE), Lubbock, TX
* *Marty Dombrowski, Assistant Director,* Center for Independent Living of South Central
Pennsylvania, Altoona, PA
* *Ryan Nolan, Controller,* Resource Center for Independent Living, Utica, NY

Each of the CILs responded to the following five questions about the business acumen process and the lessons learned.

1. Did you identify consumer and community needs in establishing your ***business plans***? What did you consider? How did you decide what plan to pursue?
2. Who did you involve as part of the Business Proposition team? How was the **team** involved?
3. What was the biggest challenge in shifting your ***mindset*** from non-profit to making money from your business proposition?
4. Have you used your ***new skill*** set to pursue other funding opportunities? How is your process different now?
5. What is your biggest ***lesson learned*** to share with other Centers for Independent Living?

Their responses yielded valuable insights on the paths that each CIL took, and some of the detours as well. An overview of the panel discussion, including their perspectives and insights, is summarized briefly below.

## Lifetime Independence for Everyone (LIFE)

***Business plans:*** Since 2014, LIFE has had a significant commitment to diverting individuals who are at-risk of institutionalization by supporting them to remain in the community. As we began the process of identifying a direction for developing a business plan, we surveyed all of our consumers to assess their needs. The results of the survey indicated that 38% of our consumers were at-risk for institutionalization and of those, 70% had some type of medical condition such as diabetes, pressure sores, or fractures. We also spoke with several hospitals who indicated the challenges of supporting patients to return to their homes after hospitalization. With these statistics, a robust Money Follows the Person, interest from the hospitals, and the mission of our CIL, we decided to develop our business proposition to implement a Hospital to Home (H2H) program.

***Team:*** Initially, the team we assembled included the executive director, the director of programs, and a special projects coordinator. As we got further in the process, we brought on our relocation and community integration specialists. After everyone was on board, we did some research. We found that there are similarities between MFP and the H2H programs, but the H2H program is a more time-sensitive advanced relocation process.

***Mindset:*** LIFE has a strong commitment to diversifying our funding with 40% of our budget from fee-for-service. Staying true to your philosophy when you are going after new programs/businesses is critical. Let your philosophy drive your business pursuits. And remember that maintaining a focus on sustainability is critical.

***Skills:*** With our new skills, we are concentrating our efforts to get the H2H transition pilot fully operational, but we plan on using all of the tools we have gained to also maximize the effectiveness of our existing programs.

## Center for Independent Living of South Central Pennsylvania (CILPSCPA)

***Business plans:*** We spent time and effort in exploring new business models that had been introduced during BALC. We gathered input from multiple sources, including talking to consumers, identifying gaps in our area, and analyzing all the data available. Upon completion of our due diligence, we determined that the Veteran’s Directed Care program would meet a significant need in our community. The Veteran’s Directed Care Program reflected what we were currently doing and was a logical next step.

***Team:*** Our leadership team included key players such as the Director of finance, Director of IL, and the IL specialist. As different parts of the plan evolved, we needed different experts in marketing and finance (accountant). We felt it was important that we keep the board involved and also, at crucial points, invited community partners to join us.

***Mindset:*** We are a small CIL, and although we are really good at what we do, we do not have a fee-for-service program. We also needed to ensure that our new direction could be sustained. Our biggest challenge was figuring out how much we are worth/setting rates and then telling people that.

***Skills:*** What we learned at the BALC has served as a launching pad for new grants and contracts that we have recently obtained. Our process now starts with defining what we want our outcomes to be and then working backwards to make sure that we have covered all the details.

## Resource Center for Independent Living (RCIL)

***Business plan:*** We had no preconceived ideas of what our business venture would be. We explored a lot of options and thought initially that we would pursue the Veteran’s Directed Care program. We had extensive discussions, analyzed data, and also researched Medicare. We decided to use the expertise we had gained in operating our Medicaid funded consumer-directed personal assistance program and expand this concept into the Medicare Advantage realm. That meant that we had to engage the managed care organizations (MCOs) and develop contracts to provide those types of services. But, to do this, we had to factor in whether we had enough staff and the infrastructure in place we need.

***Team:*** The team that worked on this included the Controller, the Chief Operating Officer, CEO, and CFO. We also kept in touch with the Vice President of our consumer directed program. With biweekly meetings, updates with additional departments as necessary, and a monthly manager's meeting, we kept the entire organization up to speed on this new venture.

***Mindset:*** At the RCIL, a majority of the staff is funded through fee-for-service, so the mindset change wasn’t a challenge. Even as a nonprofit, you need to make a profit. We have to be self-sustaining. However, the contract side of the MCO is challenging to engage.

***Skills:*** We haven’t pursued other funding opportunities at this point since we are still getting this business proposition off the ground. We have used the skills we acquired to join a learning collaborative focused exclusively on Medicare Advantage.

The final question focused on the biggest lessons learned by each of the CILs and what they wanted to share with other CILs.

***LIFE*** stressed patience, being willing to take risks, and knowing that you can identify resources to mitigate those risks. But time is needed to coordinate, collaborate, and research the relevant issues. The peer sharing, from and with centers all over the county has been a significant benefit. Networking at multiple levels enriches what we do and plan to do.

***CIL of South Central PA*** emphasized how critical it is to do your homework systematically and carefully. Doing the homework (background and research) applies to any new endeavor. Small centers need to be confident, tackle big projects, and believe in themselves.

***RCIL*** also stressedlearning to be patient and taking the time to determine that your business proposition is feasible, sustainable, will benefit the community, and align with your center’s mission and values.

For more resources on business acumen, visit the ILRU website at: <https://www.ilru.org/topics/business-acumen>.

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