Establishing and Managing Fees-for-Service in Centers for Independent Living

Planning for Fees-for-Service

April 22, 2013
2:45 p.m.–4:15 p.m.

Presenter:
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ILR Planned, Planned & Planned

- Strategic planning every 3 years
  - Included all staff, board, and consumers
  - Utilized internal process 1997 & 2000
  - Utilized internal and external process 2003, 2006, 2009 and 2012
  - Requested feedback from other agencies
  - Held consumer listening sessions in 5 regions outside counties that housed ILR office

- Utilized other resources
  - Auditors for financial insight
  - Other CILs who do FFS
  - Mentored by leaders of successful non-profits
ILR Planned, cont’d.

- Developed agency plan to decide priorities
- Goals, objectives, activities, timelines, and who’s responsible
- Identified contracts and process for each
- Identified FFS process in detail
- Monitor/adjusted plan as needed
- Report to Board at every meeting
- Administration team visited plan 1-4 x a month
- Administration team kept all staff well informed monthly.
ILR Planned, cont’d. 2

- Identified what contract success would look like
  - Maintain contracts for entire timeline
  - Met outcomes tied to contracts
  - No turnover in staff tied to contracts
  - Maintain financial stability
  - Funder very satisfied with results

- Identified what FFS success would be; based on the service developed
  - Averaged $1,000 month of billing within 3 months
  - Staff trained to meet funder requirements
  - Consumers experiencing positive outcomes
  - No turnovers in staff
Prepared ILR for Change

• Involved all staff in generating ideas for change
• Educated staff about contracts and fee-for-service
  • Differences
  • Requirements for staff
  • Training opportunities
  • Infrastructure needed
  • Consumer results
Prepared ILR for Change, cont’d.

- Involved staff in preparations
  - Committees – Quality Assurance
  - Workgroups – Job Descriptions
  - Space Changes – Search group
  - IT upgrades
  - Policy and procedures development
  - Recruitment team
During process decided things needed to change

- Grants ending and wanted to keep staff
- Identified things ILR did well:
  - Well trained/adaptable/committed staff
  - Agency commitment to IL philosophy
  - Aware of and responsive to local need
  - Include people we serve, staff & board in planning and decision making
  - People with disabilities direct their IL services
  - Collected good data
  - Frugal – very low administration costs
EXAMPLE, cont’d.

• What we didn’t do well:
  • Partner with other agencies that weren’t IL Centers
    ▪ Philosophical snobs – thought we were better than other agencies
  • Share our passion/talents with other agencies/funders
    ▪ Missed opportunities to join community groups
    ▪ Didn’t participate in any professional groups
  • Think and operate in a more business like way
    ▪ It’s ok to make money
    ▪ Put a value on what you do
  • Share our successes/stories/great outcomes
    ▪ Poor newsletter not sharing great stories
EXAMPLE, cont’d. 2

• Opportunities that existed:
  • Personal Care Service was picking up 65% of administration expenses
  • Well trained staff available from employment grant that was ending
  • Lots of potential partners in our service region
  • Good data and documentation
  • Realized that we had great outcomes
  • Strong statewide association to offer support/mentoring
  • IL Philosophy and mission are easy to share
EXAMPLE, cont’d. 3

• What Threats Existed:
  • Complacency
  • Lose sight of our mission
  • Failure
  • Staff resistance
  • Board resistance
  • Strong competition
  • Can’t afford to lose money
  • Time – staff already very busy. How do we do this?
Board and Staff Buy-In

- Depends on your agency culture
  - How are changes made?
  - How does information get shared?
  - Hierarchy/structure
- Include Board and staff in the entire process
  - Brainstorming
  - Planning
  - Committees/workgroups/teams
  - Informational meetings
Board and Staff Buy-In, cont’d.

- Be clear about how final decisions are made
  - Majority of everyone
  - Executive Director
  - Board
  - Administration team
- Publicize your intentions
  - Agency newsletter
  - TV/radio
  - Website
  - Facebook
  - Twitter
Board and Staff Buy-In, cont’d. 2

- Celebrate accomplishments
  - Give credit to teams/committees
  - Create a buzz about the good news
  - Have a party
Who Is Our Competition and What Did We Learn from Them?

• Rate development
• Quality of services
• Staff training requirements
• What are their outcomes?
• State/County requirements
• Service Area
• Do they make a profit on this service?
Planning for Fees-for-Service

• Do your homework before you start anything
• Take a hard look at your agency to assess
  • Infrastructure
  • Direct service staff
  • Potential for recruitment
  • Level of risk
• Be sure staff and board support the venture even when things get tough
• Identify staff who are willing and capable
• Design process to monitor services and program outcomes often
Assess Capacity to Move Beyond Grant Funding to FFS

• Identify what changes are needed to make the transition
  • Different/unique staff skill set to provide service
  • Electronic files
  • Effective data collection system
  • More sophisticated accounting system
  • Intake form & procedure
  • Updated policies & procedures
    • Travel
    • Cancelled visits
    • Meals when traveling
    • Laptop use
  • New computers/laptops
  • Additional Supervisor
Assess Capacity to Move Beyond Grant Funding to FFS, cont’d.

- What are current barriers to make these changes happen?
  - Time
  - Funding
  - Staff skill set
  - Fear

- Internal assessment
  - More in-depth strategic plan
  - Assess utilizing checklist
  - Use expertise from board that is helpful
  - Tends to be more biased
Assess Capacity to Move Beyond Grant Funding to FFS, cont’d. 2

- Consider external assessment
  - Peer review—in depth
  - Business survey – SCORE or business volunteer
  - Less biased
- How to fund needed changes?
  - Is start up money available
  - Write a grant to local foundation for startup
  - Review budget or plan to add in next budget cycle
- Survey staff & board
  - What skills staff & board have to share
    - Grant writing
    - Technology expertise
    - Connections to business that may help
How to Determine Staffing Needs

• Understand requirements of the service for FFS – use skill training as an example
  • What skill set is needed?
    • Skill training experience
    • Outcomes
    • Flexibility/transition from FFS to other IL work
    • Strong communication
    • Specific documentation style
    • Ongoing training requirements
    • Travel/mobility required
    • Documentation requirements
    • Infrastructure changes
How to Determine Staffing Needs, cont’d.

- Demand for services
  - Funders guess at number of people eligible
  - How much competition?
  - Try to negotiate pilot so no competition
- Referral Process
  - How consumers and referral sources find out about the service
  - How long from decision to actual referral
  - Who internally handles referrals
- Identify internal staff who match the needs
How to Determine Staffing Needs, cont’d. 2

- Recruitment to hire for the change or to replace current staff
- Develop a plan
  - Train new staff
  - Transition current staff into new positions(s)
Preparing to Become a Vendor of Services
Really Get to Know Your Service Area

- Identify potential partners
  - Like minded philosophy
  - Common interest
  - Shared space/staff
  - Have great reputation/results/outcomes
  - They do something you value/need
  - Disability related service provider
Identify Potential Purchasers of Services/Contracts

- Division of Vocational Rehabilitation
- County Human Services – Adults
- County Human Services – Children
- Medicaid (MA)
- Social Security
- Managed Care Organizations
- IRIS – Self-directed model of managed care
- Communities tied to rural development loans
- Insurance companies
- Villages/Cities/Townships
- Businesses
How to Get a Potential Purchaser of Services to Value Your Product

• Figure out what the purchaser values
  • Quality service
  • Strong outcomes
  • Cost effectiveness
  • Relationships with providers
  • Consumer satisfaction
  • Good documentation
  • Communication
  • No problems
  • Cheap service
How to Get a Potential Purchaser of Services to Value Your Product, cont’d.

• Identify how your product is compatible
  • Development must consider what purchaser values
  • What CIL does well now
  • Only promise what you can deliver
  • Be consistent and persistent

• Gradually share/highlight what CIL values
  • CIL agency presentation (dog & pony show)
  • Share consumer stories to highlight outcomes
  • If available do comparison with competition
How to Get a Potential Purchaser of Services to Value Your Product, cont’d. 2

• Use center events to build relationships with purchaser
  • As a guest speaker at board meeting
  • Newsletter articles
  • Social events
  • Cross training of staff
• Nurture your relationships with funders/buyers
Identify Unmet Needs—Agency Brainstorming

- Work-related Social Security issues
- Accessibility assessments
- Home modifications
- Assistive Technology/Assessments/equipment purchases
- Mental Health Services
  - Comprehensive Community Services
  - Quality Assurance of Mental Health Services
  - Drop-in Centers
- Peer run Respite
- Employment
Identify Unmet Needs, cont’d.

- SS Rep. Payee
- Self/Consumer-Directed Services
- Children’s Services
- Youth Transition Services
- Successful outcomes requirement
- Peer Specialist Services
- High Quality Services
- Homelessness
- Co-occurring Substance Abuse Services
- Housing Shortage
Community Needs Surveys

• What’s been done for you?
  • United Way
  • Universities
  • Health Consortiums
  • Political parties
  • Newspapers

• What’s in the news? Local and statewide
  • Employment
  • Lack of housing
  • Lack of transportation *STORY*
  • Homelessness
  • Mental illness
Community Needs Surveys, cont’d.

• Unmet requests of state CILs
  • Housing
  • Transportation
  • Job training
  • Social security benefits and work income
• Utilize technology you have available
  • Survey Monkey
    – Easy
    – Cost effective
    – Can go to anyone with computer
    – You can make the survey yours
    – Find out who knows you and who doesn’t
Community Needs Surveys, cont’d. 2

- CIL website
  - Can get a wide variety of feedback
- Use Community Resources to assist with survey
  - Class/student intern project
  - Universities/extensions
  - SCORE/retired business association
- Use survey to share agency info
- Press release to increase response
- Ask if respondent knows about your center
Community Relationships to Create or Expand

• Who knows what about your center?
  • Survey
  • Focus groups
• Identify opportunities to get involved/be more visible
• Train staff to understand how to be participate in:
  • Committees
  • Workgroups
  • Advisory Councils
  • Speaking opportunities
  • Training opportunities
Community Relationships to Create or Expand, cont’d.

• Develop a plan to close gap of who needs to know and understand your CIL
• Evaluate your marketing strategies
  • What efforts do you make?
  • Are your efforts successful?
• What are untapped resources?
  • Radio talk show
  • Newspapers
• What does your website do for you?
  • Is it current?
  • Is it informative?
Barriers & Solutions

• Vendor/Purchaser is difficult
  • Personality issues change who deals with them
  • Maintain high level of communication
• Vendor doesn’t want to pay what it costs to provide the service
  • Provide specifics
  • Try to tie cost into what vendor values
• Difference in values/philosophy
  • How much difference can you tolerate?
Barriers & Solutions, cont’d.

- Purchaser/buyers’ requirements too difficult
- Too much competition
  - Evaluate if it’s worth the effort
- Need start up funds
  - Write start up grants
  - Investigate a business loan
  - Dip into your fund balance if project is a sure thing
How to Stay True to Mission/Philosophy

• Advocacy: Maintain/keep high expectation of staff to always provide advocacy
• Be up front with funders - advocacy is part of the package
• Include everyone in the agency & those we serve in this discussion
• Identify what staff value & will not compromise:
  • Consumer control/self direction
  • Positive Outcomes
  • Individual Advocacy
• Make time/create opportunities for systems advocacy
• Peer Review/self review 2x during FFS development
For more information

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