



THE
ROAD TO
BETTER
HEALTH

PHASE
one

SAFETY NET
INITIATIVE
PROGRESS REPORT
NOVEMBER 2014

CARING *for* COLORADO FOUNDATION
A Health Grantmaker



OVERVIEW OF THE SAFETY NET INITIATIVE

Caring for Colorado Foundation's (CFC's) Safety Net Initiative launched in 2012 with a vision to strengthen the capacity of safety net clinics, and thereby communities, in providing high quality primary care to underserved populations. The initiative's primary goals are to:

- Support safety net clinics in building strategic, financial, and administrative resources that are essential to the future of health care delivery;
- Encourage collaboration and use of service models which promote sustainability and increased service capacity;
- Explore, develop, and implement innovative opportunity or business plans that support continued access to care; and/or,
- Improve competencies in areas relevant to sustainability including business practices and models, organizational systems and structures, and financial management and governance.

CFC's Board of Directors authorized a \$1 million dollar allocation to the foundation's Safety Net Initiative.

RATIONALE FOR THE SAFETY NET INITIATIVE

While local, state, and federal health care reform efforts may result in more insurance coverage and increased access to care, they also require communities and clinics to increasingly provide evidence-based, population-oriented, and coordinated care. In addition, many health care clinics face significant challenges due to other competing demands, including:

- Changes to payment models
- Changes to patients' insurance coverage
- Shifting of funds that have traditionally supported safety net clinics
- Increasing competition in the health care marketplace

An assessment of Colorado's safety net infrastructure suggests that many clinics face operational, financial, and environmental challenges that leave them stretched to meet the demands associated with a changing health



care environment. Some communities have struggled to identify effective and efficient solutions for delivering care to medically vulnerable populations. Assuming that safety net providers are likely to remain a primary source of care, especially in rural and frontier communities, CFC made it a priority to assist communities and clinics through a “Safety Net Initiative” designed to ensure continued access to care for Colorado’s vulnerable populations.

SAFETY NET INITIATIVE STRUCTURE

CFC “Safety Net Initiative” funds were used to support technical assistance and implementation activities that improved and enhanced an organization’s ability to achieve its mission, evolve, and sustain itself over time. Technical assistance offered during Phase I included support in assessing capacity and developing plans. Phase II funds will support implementation of identified Phase I priorities.

Phase I - Capacity Assessment and Planning

As a first step, contracted consultants conducted an organizational assessment in order to assist clinics in identifying strengths, assets, and areas that would benefit from ongoing capacity building work. The end product(s) of the assessment and planning phase varied depending on a scope of work mutually established between consultant and clinic. An example of deliverables included:

- Operational assessments
- Financial assessments
- Dashboards
- Strategic plans
- Stakeholder interview summaries
- Real estate assessments
- Opportunity/business plans

Consultants were identified by clinic and CFC staff; final selection was mutually determined by the clinic and the foundation. Phase I technical assistance awards ranged from \$10,000 to \$40,000.



Phase II - Capacity Building Implementation

Capacity building implementation grants focused on addressing one or more of the following functional areas:

- Vision, mission and strategy
- Business model
- Governance and leadership
- Resource development
- Strategic partnerships
- Internal operations and systems
- Financial management
- Program delivery

Funds allocated for Phase II work are being used to support costs associated with implementation of the assessment and planning recommendations identified in Phase I. Phase II awards ranged from \$20,000 to \$140,000—most grantees received \$100,000 awards.

PHASE 1

TECHNICAL ASSISTANCE AWARDS

\$10,000
to
\$40,000

PHASE 2

IMPLEMENTATION AWARDS

\$20,000
to
\$140,000



SAFETY NET CLINIC ELIGIBILITY

The “Safety Net Initiative” was designed to support safety net institutions that share a mission to provide health care services to vulnerable populations. These include, but are not limited to, populations that are low-income, racially/ethnically diverse, underserved rural and/or urban, and uninsured, underinsured and/or publicly insured.

Non-profit clinics in the following categories were eligible for funding:

- Charitable/free health clinics
- Community-based health clinics
- Designated federally qualified health-centers (FQHC’s)
- FQHC “look-alikes”
- Public health clinics
- Rural health clinics (certified and non-certified)

For-profit rural health clinics serving a vulnerable population were also eligible to apply for initiative funds through a partnership with the Colorado Rural Health Center; however, no applications were received from for-profit safety net clinics.

Grantees funded through the “Safety Net Initiative” remained eligible to apply for funds through CFC’s bi-annual grant application process because these grants were intended to complement, rather than replace, the grants awarded through the bi-annual cycles.



PHASE I - DISTRIBUTION AND REACH OF FUNDING

12

safety net clinics

\$365k

in Phase I funding across three unique groupings

PHASE 1 GRANTEE DETAIL

26

Colorado counties impacted through services provided by 12 selected safety net clinics*

46k+

low-income, uninsured, publicly insured, or under-insured patients are served by these clinics*

130k+

patient visits* are provided annually by the clinics

3



clinics were funded in the pilot cohort in 2012. CFC selected these clinics for participation

6



clinics were funded in the initial cohort in 2012. CFC selected these clinics via a competitive Request for Proposal process. Sixteen clinics submitted proposals—eight community based clinics, one residency program, one hospital, and six FQHC's

3



clinics were added as an additional cohort in 2014. CFC recruited these three clinics to participate in Phase I

*based on 2012, self-reported data from organizations participating in Phase I



The following table details the safety net organizations funded in Phase I, grant amounts, counties served, and the types of technical assistance provided by contracted consultants.

ORGANIZATION NAME	PHASE I GRANT	COUNTY OR COUNTIES SERVED BY PROJECT	TYPES OF TECHNICAL ASSISTANCE
Community Health Services	\$30,000	Adams	Strategic Planning, Financial and Data Systems Analysis, Revenue Management
Dental Aid, Inc.	\$15,000	Boulder, Broomfield	Practice Assessment, Financial Systems Analysis
Doctors Care	\$35,000	Arapahoe, Elbert, Douglas	Strategic Planning, Program Assessment, Operations Assessment, Revenue Management, Opportunities in Health Care Reform
Dove Creek Community Health Clinic	\$30,000	Montezuma, Dolores, San Miguel	Organizational and Community Assessment
Inner City Health Center	\$38,000	Denver, Jefferson, Arapahoe, Douglas, Broomfield, Boulder, Adams	Practice Assessment, Operations and Financial Assessment, Real Estate Analysis, Opportunities in Health Care Reform
Mountain Family Health Centers	\$30,000	Garfield, Eagle, Clear Creek, Pitkin, Gilpin	Strategic Planning, Revenue Management, Organizational Development, Opportunities in Health Care Reform, Implementation Funding
Northwest Colorado Visiting Nurse Association, Inc.	\$30,000	Routt, Moffat	Financial Capacity Assessment, Organizational Assessment, Financial System Analysis, Business Modeling, Implementation Funding
Olathe Community Clinic, Inc.	\$47,500	Montrose, Delta	Strategic Planning, Organizational Assessment, Real Estate Analysis
Rocky Mountain Rural Health	\$24,000	Park	Strategic Planning, Organizational Assessment, Business Modeling
SET Family Medical Clinics	\$30,000	El Paso	Organizational and Community Assessment, Strategic Planning
Summit Community Care Clinic	\$40,000	Lake, Grand, Summit, Park	Organizational Assessment, Financial Management Assessment, Opportunities in Health Care Reform



Over the course of Phase I, ten consultants were engaged to provide the assessment and technical assistance support. Some clinics used multiple consultants; the number of contracts executed by each consulting firm is noted in parenthesis:

- City Projects (2)
- Colorado Rural Health Center (1)
- John Snow Inc. (6)
- JVA (2)
- LifeWorks (1)
- Non-Profit Finance Fund (1)
- Ray and Associates (2)
- Rebound Solutions (1)
- RT Welter (2)
- Safety Net Solutions (2)

PHASE I - PARTICIPANT SURVEY RESULTS

CFC conducted a brief survey of Phase I participants in late 2014 to better understand the value, benefit and impact of the technical assistance received. Primary findings from that survey and quotes from grantees included the following:

- Caring for Colorado Foundation staff typically initiated the conversation with potential grantees about seeking technical assistance funding.
- Fiscal concerns were noted by every participating organization as a reason for seeking technical assistance funding. Other reasons shared by grantees included environmental changes (health care reform), staff morale, and new leadership within the organization.
- Grantees shared that the greatest value delivered by consultants was for operational assessments, identifying opportunities to improve financial position, strategic planning, identifying readiness for implementation, and action planning. A few noted opportunities to improve quality. None of the clinics described technical assistance as “not valuable.” A few found the stakeholder interviews/research provided by the consultants to be highly valuable, while others did not.



- The greatest benefits of technical assistance and planning identified included:
 - Generating new conversations within the organization
 - Developing/enhancing leadership capacity
 - Building capacity to assess and implement change
 - Changing the way the organization does business
- A more moderate benefit mentioned was creating capacity to plan for the future, and to plan for preservation or expansion of services.
- More than 88 percent of the clinics rated the consultants as delivering “extremely high” or “high” quality services and products. Eleven percent rated the consultants as delivering services of “moderate” quality. Two comments from participants about the consultants:

“The consultants were expensive, but worth every penny.”

“We believe the funding allowed us to contract with highly qualified consultants that challenged us.”

- Forty-four percent of clinics had received capacity building funding in the past, 33 percent had not, and 22 percent were not sure if such funding had been secured in the past. For example:

“We did receive a small grant about six years ago to help with a strategic planning process but our CFC grant is focused on building organizational capacity, much greater than a typical strategic planning process. This was necessary in light of the ACA and its impact on the patients we serve.”

- One-third of clinics find capacity building funding to be readily available, one-third do not find it to be accessible, and one-third could not assess the availability of capacity building funding as shared in these comments:

“I think it is available; however it requires a high level of grant seeking acumen to obtain. The amount and flexibility of this funding is rare.”

“It seems to be increasingly more available now than in the past.”

“This type of funding tends to be transformative. Most nonprofits are so focused on survival and delivering basic services. This is unique.”



- Three-quarters of participants (77 percent) stated that CFC’s investment in capacity building funding (Phase I) would have a long-term impact on their organization. One quarter (23 percent) were unsure if the funding would have a long-term impact. Participant comments regarding future impact included:

“We have already leveraged this funding in many beneficial ways.”

“This has been ‘life changing’ for our organization. We have implemented many changes and also revamped our strategic plan as a result.”

“The strategic plan, employee recruitment/retention strategies, and expansion strategies will all have a long-term impact on success.”

“Though we are still in the ‘middle’ of the process, this funding is having an impact on what leadership—board and staff—will be for the future. It goes beyond the programmatic changes that are necessary.”

There were a number of informative, anecdotal comments shared by the grantees:

“This is some of the most progressive, valuable, and innovative funding and support we have ever received.”

“We were reluctant to engage in this project because our team had significant ‘change fatigue.’ The consultants were so helpful and made a big difference in our view of the organization as a whole. We are very happy to have been part of this initiative.”

“Capacity building assessments of this nature are an extremely valuable management tool. They provide critical insight into current operations as well as strategic planning for the future.”

“This was a wonderful opportunity for our agency. We have already seen significant positive outcomes from the project, and anticipate more over the next several years.”

“Thank you for listening and adapting the funding to meet the needs of the safety net.”



PHASE II - IMPLEMENTATION FUNDING

Many of the clinics participating in Phase I of CFC's "Safety Net Initiative" subsequently submitted applications for Phase II implementation funding. This funding is being used to support safety net clinics as they act upon recommendations and implement changes based on Phase I findings. An evaluation of Phase II grants will be published in 2015.

To date, eight of the 12 Phase I clinics have received implementation funding and two clinics are under consideration to receive implementation funding. CFC declined to fund two clinics for implementation activities.

PHASE I - HIGH LEVEL FINDINGS

Technical assistance is highly valued

CFC's grantees have repeatedly and consistently expressed appreciation for the funding to engage consultants to provide technical assistance. External, professional, and engaged technical assistance provided customized perspectives, insights, and direction to the safety net organizations. Occasionally, technical assistance affirms the direction of boards and executives; for others, it helps organizations identify new paths and opportunities. As a result of perceived impact of this initiative, CFC has prioritized funding of technical assistance for key partners in the foundation's 2015-2018 strategic plan.

Engaged leadership is crucial

Because leadership teams in safety net clinics face competing demands for services, CFC found that executive champions are crucial to realizing the potential impact of technical assistance. Organizational leaders need to be present and engaged as they work with consultants and staff that participate in various work streams. Those clinics that recognized the challenges of "change fatigue" were able to successfully position themselves to realize success.



Focus is important — needs exist across multiple functions

Many safety net clinics operate with minimal or no financial margin and are challenged to access flexible capital to support organizational adaptation. Tightening budgets, increasing demands, growing infrastructure, and changing system requirements can create an array of needs and challenges for organizations that want to maintain and grow services for vulnerable populations. CFC has worked with grantees to clarify key questions to be answered through technical assistance in order to identify challenges and solutions. Grantees with clear and focused scopes of work targeting specific activities appeared to benefit more deeply from technical assistance.

Meet partners where they are — change is hard and options are complex

CFC's "Safety Net Initiative" was designed to be flexible and responsive to the needs of safety net organizations. While the foundation has a sense of urgency to support clinics and adaptation, there are many dynamics at play, at multiple levels that impact timing of success—for example, direct service delivery, board management, community changes, and state and federal reform efforts. In order to be responsive in a changing environment, grantees and the foundation worked collaboratively on Phase I activities on timelines, modifying them as needed to stay on track with achievement of desired outcomes. CFC will use a similar approach in future strategic initiatives.

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