



Successful Practices in Accountable Care: Financial and Operational Analysis, Management and Strategy

Capital Link

Company Profile

Name: Capital Link

Description: Capital Link is a national, non-profit organization that has worked with hundreds of community health centers and Primary Care Associations (PCAs) for over 20 years to plan for sustainability and growth, access capital, improve and optimize operations and financial management, and articulate value. Established through the health center movement, Capital Link is dedicated to strengthening health centers—financially and operationally—in a rapidly changing marketplace. Capital Link provides an extensive range of services to health centers and PCAs, customized according to need, including: Growth Planning, Capital Planning and Financing Assistance Services; Metrics and Analytical Services; and Performance Improvement Services.

Key Topics: Capital project planning and financing, financial and operational performance improvement, national financial and operational trends, operations and facilities planning



The Importance of Financial and Operational Analysis, Management and Strategy

As new opportunities arise for health centers to reform the way in which they receive reimbursement for comprehensive, culturally competent, and high-quality primary health care services they provide, they must be able to analyze and manage the financial and operational effects of such opportunities. Some of the key considerations are up-front costs of participation, system-level utilization and cost data for patient participants, payment timing and methodology as it impacts revenue cycle management, capacity for performance-based contracts, expertise and experience. One strategy for preparing includes leveraging state and local assistance and funding to support the activity. A great example of implementing this strategy is the technical assistance Capital Link has provided to the community health centers of California in coordination with the Community Clinic

Association of Los Angeles County (CCALAC) since 2015. The program, Advancing Financial and Operational Strength (AFOS), provides health center staff from all levels of the organization, not simply the Chief Financial Officer, with financial and operational benchmarking assistance, tools, and training. With these tools and trainings, health centers have leveraged their knowledge to be better prepared regardless of the payment reform opportunity they are considering or implementing.

History of Advancing Financial and Operational Strength (AFOS) Program

In 2015, there major shifts in the safety net in Los Angeles, California. CCALAC, the Health Center Controlled Network (HCCN) in the area saw a 100 % increase in Federally Qualified Health Center (FQHC) program grantees and an over 100% increase in sites. There was turnover in staffing and leadership as well as payment

reform opportunities. During this same time, Capital Link shared their expertise from years of working in the field entitled “Failure to Thrive”. This session combined with an examination of financial measures from the field (CFO roundtables sharing unblinded data starting in 2014) led CCALAC to seek out a partner who could help their health centers to thrive and be ready for reform. To support this new program, CCALAC leveraged willing local partners such as a local nonprofit hospital and a local public health plan to obtain the expertise of Capital Link in order to advance their health centers.

The program was envisioned as a one-year test sponsored by Cedars-Sinai, LA Care Health Plan, and Blue Shield of California Foundation. It developed into a comprehensive program, focused on understanding, developing action plans, implementation and monitoring. By bringing in staff from all departments, it assisted in developing common vocabulary, communication, and understanding. This company-wide focus on financial sustainability is viewed by Capital Link as a key for ensuring ongoing access to quality care.

The understanding portion of AFOS focused on assessments and training on metrics and benchmarking and seen as the “100 Series” or baseline knowledge. It helps health centers to understand the current status, opportunities, and challenges and they are assisted in this work by the analysis and support provided by Capital Link. This baseline allows health centers to take the next step towards developing action plans. During this “200 Series”, Capital Link provides training and strategies for improvement, encouraging health centers to prepare for the future. Finally, health centers are able to implement their action plans and monitor in order to adjust as needed. Capital Link provides technical assistance, support, and tracking during this “300 Series” to ensure health centers thrive using their newly gained understanding.



The First Few Years

During the first year, 32 CCALAC health center members participated. Guided by the leadership of CCALAC a range of executive staff and Board members came together in large group, in-person trainings to learn about financial and operation metrics/benchmarking, drivers of health center success, team-based care, and change management. During that first year, they learned there was a strong interest in communication across position types and centers. They also learned many centers needed extra assistance to understand rapidly as fast growth was happening.

The program continued to grow and was able to sustain itself past the first year. In year 2, 43 health centers participated. The format also expanded to include small group trainings and webinars, in addition to the technical assistance and large group trainings of the first year. Capital Link and CCLAC were also excited to expand the content to include strategic and operational agility, productivity, revenue cycle management, and scheduling strategies. The participants, and the needs they were beginning to see as they considered how to thrive in a rapidly changing environment, influenced these

topics. AFOS began to evolve to focus on a hands-on, action-oriented approach that provided strategies for implementing changes at health centers. The trainings also began to incorporate peer examples and best practices, a sign of advancing strength from previous participants.

In year 3, Capital Link and CCALAC had some surprising findings. One such finding was health centers were eager to participate and willing to contribute financially, evidence of the strong demand for the program. There was ongoing interest and continued momentum as 52 health centers participated, with some entire teams attending. The content in year 3 demonstrated the industry expertise of Capital Link as they included metrics and benchmarking, effective staffing models, market assessments, cost of care, and board member trainings. Capital Link provided data reports, tools, and tool kits, meeting the desires of the participants for an action-oriented training. From the start of the program to today, participants have indicated a 50% increase in above average satisfaction with data collection and analysis.

Moving Forward

While some elements of AFOS have remained the same over time, it has also continued to modify in order to respond to the changing marketplace and needs of health centers. It has always focused on the team-based approach for financial and operational excellence. Capital Link and CCALAC have developed a model that shows how all of the different elements are connected which has supported health centers in understanding, developing action plans, and implementing towards financial and operational success.



Key to the success of AFOS and the health center participants was collaboration and communication, commitment, customization, and comprehension. These elements combined have created a training program that equips health centers for the new opportunities arising and are a model to be considered for anyone embarking on accountable care.

This document was produced by the National Association of Community Health Centers.

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