



THE ROLE OF FUNDERS IN SUPPORTING INNOVATION:

Lessons from the Health Home Innovation Fund

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Health Home Innovation Fund Overview

The U.S. health care system is in a period of significant reform, with increasing pressure to improve quality while

reducing costs. Health plans, health care organizations, and providers are shifting from “current care” to new solutions to meet the reform challenge, including implementing person-centered medical homes (PCMH) as called for under National Health Reform (Affordable Care Act).

Core Components of the Person Centered Medical Home as defined by the Affordable Care Act:

Care coordination and health promotion

Comprehensive transitional care from inpatient to other settings

Support for patients and their families

Referral to community and social support services

Use of health information technology to link services

Comprehensive case management

In 2011, the Center for Care Innovations (CCI) in partnership with The California Endowment, launched the Health Home Innovation Fund (HHIF), which supports partnerships among safety net institutions to build patient-centered, integrated systems of care and explores options for payment reform to incentivize and sustain health home implementation.

The purpose of the HHIF is to provide flexible funding and technical assistance resources to build capacity within the health care safety net to improve the health of underserved communities, provide better care to individuals and their families and lower the costs of care.

The program is supporting eight regional collaboratives throughout California with \$500,000 two-year grants to facilitate health home transformation.

Three Strategies to Support Innovation and Long-term Transformation

Supporting innovation in a complex initiative, such as the HHIF, requires investing in key changes that will catalyze lasting transformation. Culture and practice change within and across organizations is an essential part of shifting the health care systems toward person-centered, coordinated care. CCI implemented three strategies to support the conditions for this change.

Strategy 1: **Fund Multi-Stakeholder Collaboratives**

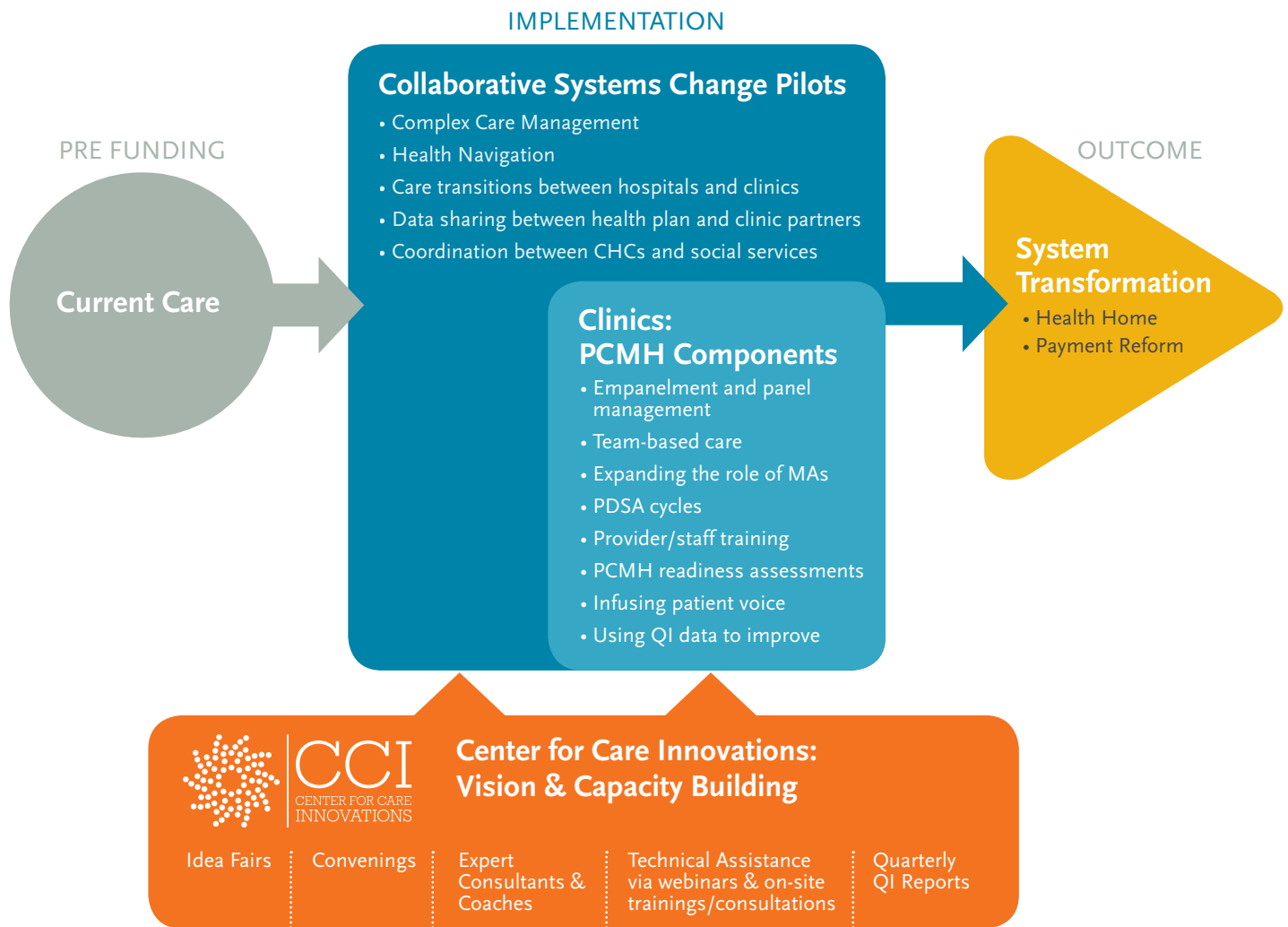
Coordinated care requires collaboration across multiple providers that typically do not work together. Foundations can support providers to overcome barriers related to competition for funding, organizational culture and the tendency to work in silos. The Health Home Innovation Fund supports collaboratives of safety net organizations to build integrated systems of care for patients, propose policy changes and payment reforms, and position themselves to become providers of choice in the rapidly evolving health care marketplace. These collaboratives involve a range of stakeholders, including regional clinic consortia, health plans, community health centers, hospitals and other community-based organizations. To address the lack of coordination that exists under “current care,” CCI made a strategic funding decision with the HHIF to require multiple health organizations to develop a joint plan for transforming a system of care.

Strategy 2: **Invest in Clinic and Cross-System Level Transformation**

Innovation in health care requires multiple pathways to transform the system of care. Foundations are in a unique position to explore the dynamic relationship between provider level practice change and systems level and policy change by funding interrelated project activities that cut across these arenas. CCI has done this by targeting resources and technical assistance to: 1) facilitate clinic transformation to PCMH and 2) improve cross-system coordination and collaboration. The investment at these two levels allowed CCI to be responsive to the needs of local safety net health

systems given the dynamic and rapidly changing environment under health reform. At the practice level, grantee activities centered on quality improvement and PCMH certification through staff, provider, information technology and operational changes. Grantee activities at the system level focused on improving care transitions and access to care across multiple providers and organizations through care management and health navigation models.

Health Home Innovation Fund: Pathways to Transformation



Strategy 3: Build Capacity to Stimulate and Support Innovation

One of the most important ways foundations support innovation is through capacity building. CCI’s strategy to advance innovation in practice transformation, service delivery and financing reform was to build capacity within the local collaboratives by sponsoring idea fairs, training webinars, grantee convenings, external consultations,

technical assistance on data collection and outcome measurement, and on-going learning and assessment from an external evaluation of the program. Recognizing that health care is local, CCI offered grantees a range of technical assistance resources in varying formats. This allowed grantees to take advantage of the resources that best aligned with their existing capacity, work plan goals, stakeholder priorities and community context.

For the HHIF, CCI focused capacity building efforts in three areas:

- **PROVIDING FLEXIBLE FUNDING.** Flexible grant funds provide safety net institutions with the kind of support that is rarely available for pilot programs to conduct experiments in service delivery and leverage other transformation initiatives. HHIF funding encouraged grantees to convene stakeholders in strategic planning, identify gaps in the systems of care, enhance provider skills through training, test innovative concepts and gather evidence to demonstrate the effectiveness of the program, which ultimately supports program sustainability.
- **FOSTERING COLLABORATIVE LEARNING, KNOWLEDGE TRANSFER AND DISSEMINATION.** Foundations can sponsor and convene forums that link grantees to national leaders and experts in the field as well as provide opportunities for peer learning and information exchange. CCI sponsored two idea fairs (before and during the funding period) to expose local leaders to national models and resources, stimulate thinking around program design and facilitate implementation progress. Throughout the grant period, CCI offered tailored training and technical assistance support from experts to address emergent implementation challenges. The grantee learning community also encouraged idea exchange and sharing of promising practices from the leadership to the frontline levels of the local collaboratives. Through a resource library and regular e-newsletter communications, CCI serves an important “bridge function” to transfer information on funding opportunities, policy changes and health reform to the provider field.
- **ADVANCING POLICY AND CULTIVATING LEADERS.** By initiating and expanding the dialogue around complex topics, (e.g., strategies for payment reform), foundations are in a position to elevate topics that require policy reform and engage state and local leaders in the change process. Some of the most noted barriers to transformation are the misaligned financial incentives for changing practice. Supporting organizations to move from volume based care to value based care requires policy change at the local, state and national level. Local health plans are playing a key role in supporting innovations in access to care through creative incentives. However, looking deeply at alternative payment methodologies is critical for transformation to be successful. Foundations can encourage innovation by supporting the testing of new payment models in lower risk environments.

Considerations for Funders

Through the HHIF and other related initiatives, CCI recognizes that foundations are well-positioned to create a safe environment for sharing ideas, exploring strategic solutions and framing successes and failures as equal learning opportunities. Other considerations for funders investing in health care innovation include:

Be responsive and adaptive to what is needed and can work on the ground, locally.

One important quality of systems is that they are adaptive. In this sense, the work is never done. Challenges and opportunities shift, and require flexibility in vision and expectations that align with the reality of implementing complex, cross-system transformation efforts. More than simply putting a longer time horizon on funded initiatives, foundations need to be responsive to what is needed and work closely with grantees to support the transformation.

Articulate your commitment to the work over the long haul. The transformation process takes time. Grantees and stakeholders need to know from the start that the foundation is committed to the issue for the long haul. Articulating a firm commitment builds trust, facilitates buy-in and relationship building with key stakeholders and encourages risk-taking and innovation without the fear of losing grant support.

Broaden your definition of success. Not all projects will succeed. Failures generate important lessons about real world implementation and the changing landscape that can influence progress. Documenting the process of implementation and how program components work are just as important in defining success and estimating the return on investment as measuring program outcomes.

Invest in innovative concepts that are not yet evidence-based. By definition, innovative concepts are new, leading edge ideas that lack criteria to be evidence-based. Therefore, investing in innovation requires taking a risk on field-generated ideas that are untested. Grantees look to foundations as thought partners to curate their ideas and co-create solutions to address complex problems and achieve meaningful change.

Redefine the concept of sustainability. Long-term system transformation is achieved by more than just sustained funding for the program, services, and staff. Foundations need to leverage other opportunities that will sustain their investments, which include building relationships across stakeholders, advancing a dialog with advocates, policymakers, and other stakeholders, and building a resource infrastructure to support broader transformation of the field.



For more information on the Center for Care Innovations and the Health Home Innovation Fund, visit



www.careinnovations.org