

Creating Sustainable Solutions to Social Problems Through Social Enterprise: a Conversation with the ACL Business Acumen Group

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Agenda

- Thoughts about Social Enterprise (SE)
- Thoughts about business planning and services
- Thoughts about selling and sales process
- Discussion

Thoughts about Social Enterprise

Paradigm Shift Needed

...the network needs to move from grants based to service based enterprise. Who will pay for our services?

(From Assistant Secretary Greenlee's July 14, 2015 N4A Conference - key note.)

Why Social Enterprise?

- Social enterprise provides a framework for the network to achieve social impact in the context of a business environment.
- It is a model for moving from a grants based world to a services for sale world that can enhance, rather than compromise, an organization's ability to achieve social mission.

Muhammad Yunus's 7 Characteristics of a Social Enterprise

- The business objective is to overcome problems that threaten people and society – not to maximize profits
- Societal needs are addressed through the profit generating products and services themselves
- The endeavor is self-sustaining
- Think stakeholders, not shareholders
- Actions taken are environmentally and socially conscious
- The workforce gets market wages with better than standard working conditions
- It is done with joy!

NCOA's Definition of Social Enterprise

- Social Enterprises are organizations or partnerships that create and implement market-driven, self-sustaining solutions to social problems.
- A *social* enterprise must be accountable to stakeholders that have a fiduciary responsibility to fulfill a social mission and not merely a fiduciary responsibility to shareholders.
- NCOA requires our SE partners to meet standards of excellence and when appropriate fidelity standards.

NCOA Social Enterprises

- **Canary Health (Formerly DPS Health)** - the partnership offers payers a suite of online evidence based programs designed to improve self-management skills and help people with lifestyle changes. The suite is targeted to the emergent risk population. The Stanford Online self management workshops and Canary's CDC recognized Diabetes Prevention Program are part of the suite.
- **My Medicare Matters (MMM)** – a partnership with Aon Retiree Exchanges to provide scalable Medicare education and enrollment assistance . We provide decision support tools that help our visitors determine when to enroll in Medicare, what type of Medicare might be right, and who to contact to get individual support or continue the enrollment process. Quality is governed by NCOA's Standards of Excellence developed by our National Advisory Board,
- **Fannie Mae** – NCOA works with servicers of Fannie Mae loans to assist HECM borrowers in default through Tax and Insurance Counseling. NCOA counselors assist borrowers with budgeting, creating an action plan, connecting to SHIPs and NCOA Benefits Enrollment Centers (BECs). NCOA works with the client's loan servicer on a possible repayment plan.



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Thoughts about Business Planning



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Business Planning Questions

- Sell service(s) to the end purchaser or sell to a partner that bundles/aggregates and sells to end purchaser?
- If Selling to end purchaser:
 - ✓ Does my organization have a broad enough offering for that type or purchaser?
 - ✓ Is our service scalable enough to meet the needs of that purchaser (community locations, internet, mobile, etc.)
- Who are our competitors and how do we stack up against them?
- What are our sustainable competitive advantages?

Business Planning Questions (Cont.)

- What are our metrics of success?
- What volume is feasible?
- What price is feasible?
- What are our fixed and variable costs?
- How big does business need to be to sustain and thrive?
- How much capital will we need to get to breakeven?
- Where will we get the capital? Can we “bootstrap” it?

What Sorts of Customers Should We Focus On?

- Regional/National multi-line health plans?
- Local health plans?
- MA only health plans?
- ACO's?
- Medical Homes?
- Hospitals/health systems?
- Medicaid?
- Other?



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Not Just the Market Segment But the Door

- Most Companies will have more than one door you can go through.
 - ✓ Health Plan: community benefits, medical management, marketing, care integration, etc
- The door you go through could determine:
 - ✓ The best price point
 - ✓ The size of the sale
 - ✓ The sales cycle
 - ✓ Who you are competing against
 - ✓ Whether you can be a “one trick pony”
 - ✓ **What you should be selling**
- No wrong door
 - ✓ You could find or create an internal champion



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What Are You Selling?

“We Manufacture Lipstick but we sell hope”

(Attributed to a former Revlon CEO)

- What you manufacture is about you.
- What you sell is about your customer:
 - ✓ Halo effect of partnership?
 - ✓ Satisfy community benefits requirements
 - ✓ Health outcomes?
 - ✓ Reduced hemoglobin A1c?
 - ✓ Lower medical care utilization?
 - ✓ Stars ratings
 - ✓ Member loyalty?

It is hard to set the right price or make the right “pitch” if you don’t know what you are selling.



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Some Thoughts About Developing Sales Flow

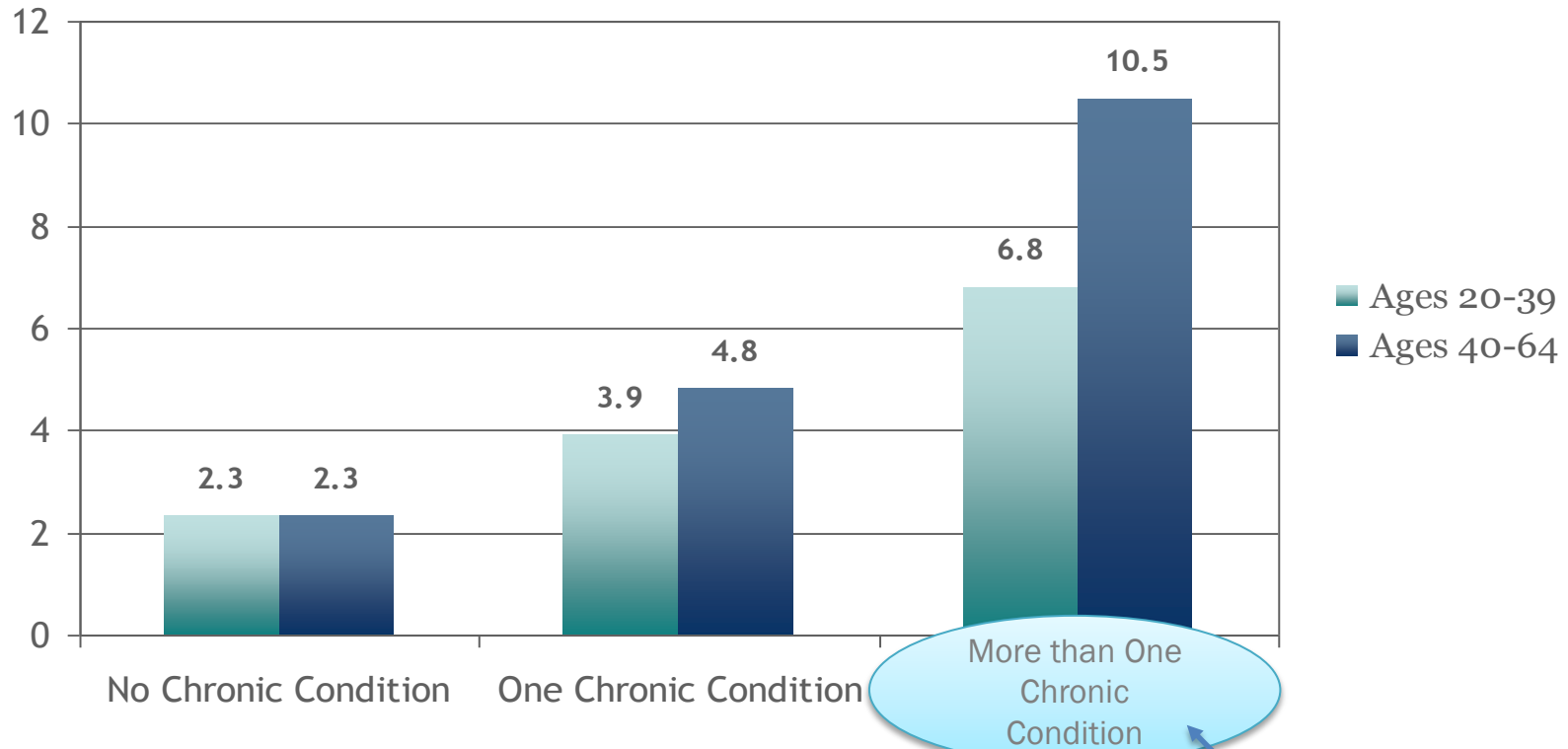
- Just do It! - but don't practice on the “big fish”
- Initially likely to be “top of house selling”
- Goal should be to learn from each pitch
- Assume multiple meetings and have a goal for each
- Begin to figure out how to “qualify leads”
- At some point make it someone's only day job
- Manage sales by process



Some Examples of Messages Tailored to Particular Types of Customers

ROI is More Than Reductions in Health Care Cost

Average Annual Days Lost by Workers with Chronic Conditions



Source: The Health Status of the United States Workforce: Findings from the National Health and Nutrition Examination Survey (NHANES) 1999-2002 and the National Health Interview Survey (NHIS) 2005. Pfizer Inc. 2006

Making It Easy for Physicians to “Prescribe” Self Management via HIT



Getting beneficiaries the assistance that is right for them

INSURANCE PROFESSIONAL
Aon Hewitt Navigators
Plan Choice
Guided Enrollment
Post Enrollment Support

SELF SERVICE (ONLINE)
Medicare.gov
Medicare Plan and Enrollment Information

LOCAL COUNSELOR
State Health Insurance Assistance Program
Assistance with Medicare Benefits
Enrollment Advice

What sort of assistance is right for me?

Medicare QuickCheck™
What do I do and when?

Which approach to coverage is right for me?

Welcome to MyMedicareMatters.org

Medicare Education

Three Answers

With a qualified lead there are always three answers but only two should be acceptable:

- Yes
- No
- Not now

Discussion



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