

Chicago Cluster Meeting

Bringing Business to the Table: Leveraging Business Assets to Expand Health Care Coverage May 30-31, 2002

On May 30th and 31st, 2002 the *Communities in Charge (CIC)* National Program Office hosted a cluster meeting in Rosemont, IL for CIC project leaders. The purpose of each cluster meeting is to create a forum for *CIC* communities to explore a specific topic area in depth and to draw from expert knowledge.

This summary document presents a brief description of each presenter and outlines the shared findings from the meeting.

OVERVIEW

A previous *Communities in Charge* cluster meeting held in the Fall of 2001 brought the *CIC* communities together to discuss ways to involve *political leaders* and *health system* executives in the design and implementation of coverage programs for the uninsured. At the meeting, participants discussed strategies for getting on the political agenda, ways to secure the interest and involvement of political and health system leaders in community efforts, and methods for gaining continued support from political and health system leadership. A summary of this cluster meeting is also available on the *CIC* website.

The most recent cluster meeting, **Bringing Business to the Table: Leveraging Business Assets to Expand Health Care Coverage**, built upon the themes of the previous meeting. Strategic, cross-sector partnerships between non-profit organizations and businesses can bring together resources to significantly advance the identified goals of both partners. Non-profit organizations typically do not have access to the same level of business acumen, political coverage, and capital resources as the private sector. Nevertheless, non-profit organizations seeking to promote health care coverage can access the resources by developing innovative partnerships with the business community. A majority of the *CIC* communities have engaged the business community in their programs, primarily through participation in their respective coalitions, and several have begun to facilitate more integral partnerships.

The objective of the cluster meeting was to encourage project leaders to:

- ?? Further explore the value of engaging the business community
- ?? Better understand the business perspective
- ?? Think about the potential for innovative partnerships
- ?? Review the basic steps for initiating a business partnership

The National Program Office (NPO) brought together a number of prominent speakers from organizations nationwide, and *CIC* project leaders were encouraged to invite local business representatives from their respective coalitions. Several *CIC* communities were also asked to talk about their efforts to engage the business community. While the presenters spoke in detail about their work, they were able to apply more general insights to the *CIC* initiative. In total, forty-three participants attended the meeting. The NPO encouraged each participant to utilize the [web resources](#) provided to explore the topic in greater depth.

Among the key learnings from the meeting were the multiple ways in which communities developing coverage programs for the uninsured can, and should, involve representatives of the business community in their initiatives. Communities can:

1. Take advantage of business expertise.

Communities should seek business leaders to serve on the Board of Directors or, more informally, as general advisors to the community program. In this capacity, business leaders can lend business planning expertise and financial acumen to the program. They may also be able to provide contacts with government-relations offices to help communities better understand the government environment and the “lay of the land.” Such connections might also serve to educate and raise awareness of the local initiative among politicians and regulatory officials.

2. Contribute Resources.

Businesses can contribute a wide range of resources to help advance the program goals of non-profit organizations. For example, a business might sponsor a policy forum, “adopt a clinic”, provide low-cost use of administrative infrastructure, serve on the board of the organization, donate space or materials for coalition functions, provide marketing or business planning expertise, produce and/or distribute program communication materials and the like.

3. Engage business leaders as spokesperson for the importance of health coverage.

Business leaders can support the education and outreach efforts of a community program through their involvement with other businesses. For example, a business leader can formally and informally “talk up” the benefits of business human resource investment in outreach to low wage workers to educate them on the benefits of a state’s Children’s State Insurance Program (SCHIP). A business can serve as a model for promoting business investment in health coverage, and, as a result, encourage other businesses to offer coverage to their employees and/or contribute to its purchase.

SESSION I: Bringing Business to the Table
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- I. **Charles Kolb, Esq.** is the President of the [Committee for Economic Development \(CED\)](#). CED is a non-partisan, business-led think tank based in New York City and Washington, D.C., that convenes business leaders around selected topics. The organization reports with findings and recommendations on issues relating to economic growth and prosperity. These findings represent the opinions of a significant segment of the business community. Charles was asked to provide an overview of the business perspective, describe the business benefits achieved in partnering with community organizations, and review the types of investments that businesses can make.

Key Learnings:

?? **Being a good corporate citizen is not a given.**

Martin Wolf, a columnist at the London Financial Times, compared cross sector partnerships to “sleep-walking with the enemy.” According to wolf, partnerships with non-profit organizations distract business for their primary objective – bottom-line profits. Nevertheless, Charles stressed that it is important for businesses to care about their employees and the communities in which they live.

?? **The “winner take all” mentality that spawned the Enron scandal has spurred a demand for corporate transparency, accuracy and honesty.**

In the wake of the Enron scandal, corporations must take steps to rise above corporate backlash, reestablish public confidence in corporate practices, and demonstrate a commitment to the client and the community. Non-profit organizations may capitalize on these circumstances by creating opportunities for corporations to expand their involvement in the community.

?? **Company gains are the result of workforce productivity and information technology. Since productivity is contingent upon the health of company employees, businesses have real incentive for offering coverage.**

The CED recently published a report titled “[A New Vision for Health Care: A Leadership Role for Business.](#)” According to the report, the most often cited reasons for a business not to provide employee coverage are cost, time and potential legal repercussions. Nonetheless, cost-efficiency and employee empowerment appeal to business leaders.

- ?? **Be clear, upfront, reasonable, precise and tangible in soliciting potential business partners.**
- ?? **Be persistent and appeal to the business tradition of community service.**

II. **Leslie Genewick** and **Mary Lyle** are both Directors of the [UAW-Ford Community Health Initiative](#) in Louisville, Kentucky. Leslie represents Ford Motor Company, Mary the United Auto Workers of America (UAW). Both facilitate collaboration among key health care stakeholders in Louisville to improve healthcare delivery and health status in the community. Each was asked to speak about the “dance” of an effective partnership, how different organizations find common ground, and the process of evaluating outcomes.

Key Learnings:

- ?? **A local health care delivery initiative presented Ford with an opportunity to control costs and impact quality.**

In 1994, General Motors (GM) and UAW discussed meaningful changes in healthcare. In an effort to identify successful community healthcare models, the groups conducted research and identified Rochester, NY as a community with low cost medical care and high quality outcomes. These outcomes were due, in part, to a collaborative community health care initiative involving providers, insurers/HMOs, business and other key community constituencies. Ford Motor Company followed suit and has since established a Community Health Initiative in Kansas City, MO and Louisville, KY. GM and Daimler Chrysler also operate Community Health Initiatives in number of other sites throughout the United States.

UAW and Ford are working with a similarly configured community coalition in Louisville to complete a community health assessment as well as an assessment of resources, value (utilization patterns and quality of care), and disease categories. In collecting this information, UAW/Ford hopes to create an effective partnership among all community stakeholders by developing a community action plan; promote high quality, cost-effective healthcare delivery system; share best practices of care and delivery for local healthcare providers; help the community, in cooperation with community stakeholders, better use all of its healthcare resources; and develop education and communication programs. In turn, Ford hopes to better understand the needs of the local population, evaluate the effectiveness of the existing healthcare delivery and financing systems, target opportunities for improvement, and establish an “information baseline” for the community to begin action planning. In a similar vein, UAW hopes its participation in the Community Health Initiative will help to improve the quality of life for everyone in the community.

- ?? **Ford serves as a catalyst and political force for change.**

Ford Motor Company will spend almost \$3 billion on healthcare for employees, dependents and retirees in 2002. Ford leverages this fact to bring healthcare providers to the table to examine opportunities for improved health care delivery services and cost control.

- ?? **Measurable outcomes keep Ford at the table.**

While the Community Health Initiative is not a separately incorporated entity, it is important for the coalition of major hospitals, providers and insurance companies to show measurable results. As Leslie noted, “Just because healthcare exists, does not mean that quality healthcare is being provided.” UAW and Ford plan to facilitate the evaluation process and will look to the community to help determine appropriate outcomes.

One community project director noted that communities have difficulty articulating what they want from businesses. While the “soft message” sells the vision of the organization, non-profits often “enter the dance competition without taking the salsa lessons.” Non-profit organizations must look to businesses for resources other than philanthropic funding, such as business acumen and strategic resources. To do so, groups need to better understand reasonable partnership parameters and the types of resource requests to make.

SESSION II: Working with Business – Sample Models

- III. **Fran Grossman** is the Executive Vice President of [Shorebank Advisory Services](#), the consulting division of Shorebank Corporation. [Shorebank Corporation](#) is the nation's first and largest community development bank holding company with a \$1.4 billion dollars in assets. The corporation is unique in that its mission is to "increase economic opportunities in traditionally underserved urban and rural communities." Shorebank currently operates in Chicago, Cleveland, Detroit, the Upper Peninsula of Michigan, and the Pacific Northwest; and works closely with its affiliates, namely a real estate development company and non-profit organization to promote neighborhood revitalization. Fran was asked to address the relationship between corporate and branch offices in supporting local initiatives, Shorebank's work to support non-profit organizations and tips for approaching businesses.

Key Learnings:

- ?? **All businesses must decide how to invest their money.**
In order to help businesses in this process, non-profits must research their potential partners, know whom to ask, and be able to articulate their request.
- ?? **Solicit senior leadership and/or those individuals who serve as catalysts within the targeted business.**
- ?? **Be persistent in forming partnerships, making specific request to the right people, and searching for a good advocate within the corporation.**
- ?? **All non-profit organizations must deal with competition for corporate involvement and limited philanthropic dollars**
Businesses are interested in quantifying the impact of community involvement. To appeal to the business sector, non-profit organizations must show accountability for measuring and achieving identified goals.

- IV. **Jim Bower** is currently the Director of National Account Services for One Source Marketing, an independent division of [Rich Products Corporation](#) in Buffalo, NY, and serves as the President on the Board for *HealthforAll* of WNY, Inc. Jim is also active in the board leadership of a number of other community-based organizations.

Key Learnings:

- ?? **Conduct thorough company research and establish a set of criteria for evaluating each opportunity.**
Like most businesses, Rich's follows a set of criteria in choosing how to invest its money. While Rich's supports initiatives targeted towards families, children, and health and welfare issues, all organizations must understand a particular company's interests. Using this approach, non-profit organizations can seek partnerships that enhance each partner's mission.
 - ?? **Business partnerships are more about leveraging the power of business and less about soliciting money.**
Effective partnerships evolve when the interests of key business leaders or corporations match the non-profit's objectives and competencies.
- V. **Patti Everitt**, Program Consultant for the [Michael and Susan Dell Foundation](#), concluded the afternoon session. The Michael and Susan Dell Foundation is one example of a formal, philanthropic, grant-making organization that has actively sought to engage and integrate business in policy solutions. In particular, the Foundation has worked with the Austin

Chamber of Commerce to move childcare and health coverage issues to the forefront of the local political agenda. In doing so, the Chamber has helped to establish the importance of these issues with businesses and has lent credibility to community organizations seeking business partnerships.

Key Learnings:

- ?? **Understand that Foundations, much like the Michael and Susan Dell Foundation, are increasingly placing greater emphasis on cross-sector partnerships and focused outcomes.**
To compete for grant funding, non-profit organizations must first understand the requirements and/or focus on a particular foundation. In more recent years, a growing number of Foundations are making grants to organizations with clear plans for achieving focused quantifiable results. To this end, non-profit organizations are often encouraged to adopt business-like practices or engage business partners.
- ?? **Engage CEO or Human Resource Managers of a corporation, as opposed to the Community Relations Director.**
Taking this approach allows non-profit organizations to position issues of health care coverage as “the currency of the community.”
- ?? **Find an advocate for the cause and get the issues on the legislative agenda.**
Get a businessperson to present the topic of healthcare coverage in the public and private forums using “business” language as opposed to non-profit jargon.
- ?? **Educate businesses about healthcare issues.**
Most businesses do not understand the complexities of the healthcare system. Patti spoke about how the Foundation has actively engaged the business community in developing healthcare coverage programs in leading advocacy efforts. Once the business community has made this investment, community organizations are more successful in seeking funding and facilitating strategic partnerships around coverage.
- ?? **Allow partnerships to evolve slowly and nurture the partnership as one would a personal relationship.**
Community organizations cannot expect to receive a “whole bunch of money right off the bat.”
- ?? **Have an organized program to offer the business community.**
Programs create an opportunity for organizations to “build a bridge” to the business world and allow for a more fluid partnering process.

SESSION III: Making it Happen: Assessment, Design and Implementation

The second day of the meeting was geared towards understanding the basic steps of business outreach from the community perspective.

- VI. **Kelly Carey**, is a vice President at [GMMB](#), a strategic communication firm based in Washington, DC. Kelly serves as the National Business Outreach Manager for The Robert Wood Johnson Foundation’s [Covering Kid’s National Public Education Campaign](#). In this role, she works closely with community organizations to facilitate strategic business partnerships at the local and national levels.

Key Learnings:

- ?? **Consider the spectrum of cross-sector partnerships.**
Business partnerships extend beyond simple philanthropy to include sponsorship, cause-related marketing, licensing, media sponsorship and in-kind sponsorship.
- ?? **Think “beyond straight dollars” when planning business partnerships.**
Articulate organizational objectives and build the types of partnerships that meet identified organizational needs.

- ?? **Start small.**
Successful business partnerships are much like nurturing a relationship – they start small and evolve slowly as the partners begin to better understand each other’s strengths and expectations.
- ?? **Set clear goals and measurable outcomes for the partnership.**
If an organization does not set clear goals, it risks becoming involved in a partnership that may not meet the needs and may compromise its resources and/or mission.
- ?? **Identify and “sell” the organization’s assets or benefits.**
Determine what the community organization can bring to a business partnership and make these benefits known.
- ?? **Do your company homework!**
In order to narrow the list of prospective business partners, an organization must better understand how a business operates and how it chooses to invest its money. A little research can significantly improve an organization’s chances of finding an appropriate match.
- ?? **Identify someone within the company who may know the organization.**
Use any personal connections to access key business contacts and mention the person who may have referred you whenever possible.
- ?? **Develop an approach.**
Prepare talking points before approaching a business to help organize key thoughts.
- ?? **Present the partnership as an opportunity for the targeted business.**
- ?? **Be sure to make the ask!**
Do not be afraid to make a request. If nothing is asked of the business, the business has no opportunity to say “YES!”
- ?? **Regularly follow-up with each potential partner.**
Follow-up is paramount in securing successful partnerships.

Kelly then described the particulars of making the “business pitch.”

- ?? **If you decide to make a “cold call”, call between 8:00-10:00 am.**
Businesses are typically less busy first thing in the morning and easier to connect with at this time.
- ?? **Use a casual tone.**
- ?? **Be prepared to answer difficult questions and respond to assumptions about health coverage products.**
Prepare a set of anticipated questions and practice responding to each.
- ?? **Schedule a follow-up time to meet the individual in person.**
Whenever possible, be sure to create an opportunity to meet with the perspective business partner. In general, it is easier to capture his/her focus and “make the sell” in person.
- ?? **Review next steps at the close of the call.**
Be sure to have a game plan upon ending the call.
- ?? **Once the partnership has been established, put the agreement in writing.**
While this does not have to be a formal agreement, it is important to record each partner’s commitment to the partnership. Likewise, let the business know who will be servicing the partnership.
- ?? **Walk away from the partnership if it does not meet the program objectives!**
It is important to keep the organization’s objectives in mind at all times. If a partnership strays too far from the original outcomes, it may begin to drain the organization’s time and resources.
- ?? **Non-profit organizations should think about hiring graduate business students to begin the business outreach process.**
Business outreach takes a considerable amount of time and energy. To avoid placing additional strain on the already over-burdened staff, explore less costly alternatives.

In closing, Kelly described the **Communications Kit for Engaging the Business Community** that Covering Kids has put together to assist communities with the basics of business outreach. Communities interested in ordering the materials can do so through the Covering Kids website at <http://www.coveringkids.org/communications/bts.orders.php>.

- II. Amber Slichta**, Executive Director of HealthforAll of WNY, Inc., and **Tony Hackett**, Marketing and Development Manager for the project, discussed the cause-related marketing campaign that Buffalo is currently working to develop.

Key Learnings:

?? **Cause-related marketing:** *When a company with a product, image or service to market builds a relationship or partnership with a cause or not-for-profit organization for mutual benefit (Source: Business in the Community)*

Cause-related marketing differs from government funding and philanthropic giving, and should serve as a third revenue stream.

?? **Develop individual strategies for each targeted business.**

?? **Hire business professionals to develop business partnerships.**

HealthforAll hired [Community Wealth Ventures \(CWV\)](#), a for-profit company designed to “strengthen organizations’ social impact by identifying and stimulating new sources of revenue,” to conduct a feasibility study of potential long-term sustainable, business partnerships. The study developed realistic revenue projections for a HealthforAll cause-marketing strategy. Rather than generating several million dollars over a three-year period, HealthforAll can expect to generate in excess of one-half a million dollars by year three. Based on this experience, HealthforAll made the following recommendations:

?? **Check expectations.**

Complete a thorough feasibility study before soliciting partners and nurture the partnership once formed.

?? **Diversify revenue streams to strengthen project sustainability.**

?? **Follow the six steps to a successful partnership.**

- Build a strong organization
- Know your assets
- Pick the right partners
- Pick the right opportunity
- Sell the opportunity – NOT the need!
- Focus on completion

Currently HealthforAll is in the process of building its organizational assets to attract sizable partnership income and is evaluating the Board’s network of supporters.

- III. Thomas Manning** is Director of Capital Access at [Primary Care Development Corporation in New York City](#). PCDC is a 501(c)(3) created in 1993 to “expand and enhance access to primary and preventive care in underserved communities.” The organization raises capital financing resources from public and private sources that are then loaned to organizations in New York City for the construction and renovation of primary care clinic delivery sites. PCDC’s \$100 million of capital financing includes \$6 million from state and local grants, \$7 million of owners equity, and \$87 million from private investors, including private banks. The clinic recipients of PCDC loans traditionally have been considered unlikely candidates for commercial financing and thus have had difficulty gaining access to private investment resources for bricks and mortar projects. PCDC acts as an intermediary between the commercial sources of capital and the clinics, helping them develop a strong business foundation for their plans to satisfy standard lending and underwriting criteria.

Key Learnings:

?? **A strong, engaged Board of Directors with effective representatives from all sectors is critical to an organization’s operations and contributes to its success.**

Organizations must work to establish a shared language among sectors and foster an understanding of different perspectives and decision-making needs.

?? **Public sector mandates and support can help make businesses feel more comfortable working in unfamiliar territory such as a community-based indigent health care.**

The success in getting private sector banks to invest in health centers through PCDC is due, in large part, to the organization's strong business model, trust in PCDC's Board, solid loan security requirements, and confidence in PCDC's underwriting standards. The support of the City of New York in the initial creation of PCDC and its ongoing operations has also increased the confidence level of businesses involved in this initiative.

?? **Ensuring transparency through an inclusive decision making process strengthens cross-sector support and fosters partnerships, should problems arise in the future.**

?? **Adequate start-up funding is critical.**

Despite having a well-constructed business plan, an organization is bound to confront unforeseen problems. This makes it difficult to start a new program or venture. Adequate start-up funding, typically from a philanthropic or public source, is an indication that an organization has strong support and staying power. The private sector is far more likely to invest in a program that demonstrates these qualities.

In closing, the National Program Office encouraged each *CIC* community to build upon the ideas presented at the meeting and to continue to think about innovative ways to engage business around health coverage initiatives.

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