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| **EXECUTIVE SUMMARY:** |

The following plan details a three year sustainability plan for the NEON Pathways Community Hub. This project involves ten local partners, and will target two payers, a public and a private payer. A current CDC CTG grant has paid for the system design and set up, and NEON is seeking further grant funding to use for outcome payments to CHWS and their employing organizations upon pathways completion by Pathways Hub participants. These outcome payments are needed in order to move enough patient volume through the Hub to calculate and demonstrate local return on investment specific to each payer. Three year financial projections for budget and revenue forecast are included in the attachments.

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| **THE ORGANIZATION** |
| **Name** | Northeast Oregon Network |
| **Address** | 1802 4th Street, Suite A, La Grande, OR 97850 |
| **Key Contact** | Name: Lisa Ladendorff, LCSW, Executive Director |
| Telephone: 541-805-5502 |
| Email: lladendorff@neonoregon.org |
| **Legal Status** | 501(c)3 |
| **Description of Organization:** The Northeast Oregon Network (NEON) is a nonprofit community health organization serving Union, Baker and Wallowa counties in Northeast Oregon. We have been a leader in Rural Health Care Reform at the local level since 2004, and act as a resource for developing health and wellness capacity by providing assessment, facilitation, coordination and implementation services to local partners. We have a proven track record of locating opportunities for developing rural health capacity, convening community groups for evidence based solution development, obtaining funding, marshalling political and content expert support, managing complex projects, and measuring outcomes and return on investment.  |
| **Date organization was founded:** | Formally incorporated in 2009, began as all volunteer coalition in 2004. |
| **Mission/Vision/Values Statement:**NEON’s vision is improved health status for all residents of Northeast Oregon.NEON’s mission is to improve access to and quality of integrated health care for Northeast Oregon residents by identifying system gaps, facilitating community developed solutions and advocating for health policy change.NEON’s guiding principles are to view health broadly, with a focus on public health, mental health, primary care, oral health, and health promotion and wellness. We use collaboration and collaborative strategies in meeting our goals. We encourage effective integration of care across the full spectrum of disciplines. We strive to support non-duplicate efforts. |
| **Background Information:**NEON began as an all volunteer collaboration in 2004, and sustained ourselves for the first four years as a primarily all volunteer organization, with funding focused on projects to promote health access. We incorporated in 2009 and have brought in over $3.5 million in health care capacity funding to our local region since then. Our primary initiatives have been outreach and enrollment into public coverage, social marketing campaigns to promote public coverage options, community health assessments, self health management resources and services, a multi share coverage program, and a Community Hub and Community Health Worker training program. |
| **Management Structure** | 501(c)3 tax exempt nonprofit with a volunteer board of directors and an executive director. |
| **Board of Directors** | * Steve Adkison, Eastern Oregon University, Board Chair
* Robert Kleng, Eastern Oregon Head Start, Vice Chair
* Lisa Dawson, Northeast Oregon Economic Development District, Treasurer
* Carrie Brogoitti, Center for Human Development
* Kelly Rice, Eastern Oregon University
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| **KEY STAFF** |
| **Name** | **Job Title** | **Tenure with Organization** |
| Lisa Ladendorff | Executive Director | 2004 |
| Tayde McAndie  | Operations Coordinator | 2009 |
| Pepper McColgan | CHW Training Coordinator | 2009 |
| Vixen Radford | CHW | 2009 |
| Matt Nightingale | Provider Relations Specialist | 2009 |
| **HUMAN RESOURCES** |
| **Leadership details, including recruitment and succession planning:**NEON currently has a relevant mission, increasing visibility as to the possibilities NEON can fill at the local and state level, and some growing national recognition. NEON has a relevant, current and strong strategic plan, and good alignment between the board and the executive leadership. While current board members are varied in skills and strong in skills they bring, board membership remains small, and succession planning at too low of a level. Key positions, such as payers and strong hospital support, remain missing on the board, as does the business community perspective. There has been growth in the support of the primary care provider sector and the support from social services, public health and educational sectors remain strong. We are also fortunate to have an economic development perspective on our leadership board as well.While executive leadership is strong at the moment, there is no succession plan in place, though there has been significant cross training in leadership functions, to good success in the areas of strategic relationship development, fiscal and HR management. We are weak in non grant funding development leadership at all levels of the organization, including the executive level. We have strong management skills in the nonprofit arena, but notice as we attempt to shift to a more social enterprise model with less reliance on grant funding, we are weaker in the business development skills. |
| **Staffing details, including recruitment and succession planning:**NEON has strong staffing in the CHW training program and the outreach and enrollment portions of our business, as well as in HR and fiscal management functions. We continue to develop our marketing and business development functions and could use increased capacity for funding development support, of all types. One position that will need to be filled soon is the permanent Hub Coordinator position, and it is unclear whether or not this can be filled in house or not, depending upon the size of the investment funding obtained. We have also begun to broaden the base of skill and capacity in the CHW training area, and hope to have three more trainers trained in the next year, to provide a core of five trainers in the three county area. We need to be able to increase staff capacity in the area of grant writing and funding development, business planning and marketing.  |
| **Leadership and staffing training requirements and need:**Continued leadership development is needed for non ED staff in the areas of grant project management, large scale project funding development, program evaluation and high level partner relationship development. |
| **EXTERNAL RELATIONS** |
| **Key Network Partners** |
| **Name** | **Strategic Importance** |
| Eastern Oregon University | Current Board member and collaborator on the NEON Community Health Worker training program by providing classroom space and academic credit for the CHW trainees. The Provost is the NEON Board Chair, and the project evaluation consultant is an associate professor. NEON is a regular placement site for EOU practicum students in multiple programs. |
| Center for Human Development | Founding member of NEON and original administrative home. Current Board member and Leadership team member. A collaborator on a prior NEON project, the Community Health Alliance, serving on a community resources committee.  |
| Northeast Oregon Economic Development | Current NEON treasurer and board member. Has provided business planning classes to NEON staff. |
| Winding Waters Clinic | WWC has committed to NEON board membership starting in 6/1/14, is a current collaborator and sub contractor with NEON on a HRSA Small Provider QI grant, and coordinates on the Health Insurance Exchange Grants each organization has. |
| Wallowa Valley Center for Wellness | One of the founding members of NEON, serving on the steering committee and board from 2004 to 2010. Current Leadership team member, and sub contractor on the HRSA Small Provider QI grant program. A collaborator on a prior NEON project, the Community Health Alliance, serving on a community resources committee.  |
| St. Luke’s Eastern Oregon Medical Associates | St. Luke’s EOMA has committed to NEON board membership and Leadership Team membership starting in 6/1/14. St. Luke’s is a collaborator on a prior NEON project, the Community Health Alliance, serving on a benefit design committee. NEON has worked to support the Pathways and CHW model with EOMA’s parent company, St. Luke’s Health System. |
| Wallowa Memorial Hospital | Past NEON Board Member and collaborator on the HRSA Small Provider QI grant as a member of the community based QI team. A collaborator on a prior project, the Community Health Alliance, serving on the Medical Advisory Committee. |
| Building Healthy Families | Current Leadership Team member and prior subcontractor on the NEON Health Insurance Exchange Grant program. NEON sits on the Early Learning Hub Council staffed by Building Healthy Families. |
| Community Connection of Northeast Oregon | Current Hub Leadership Team member, Sub Contractor to NEON on a Health Insurance Exchange outreach and enrollment grant, project leadership team for the Health Insurance Exchange grant program, NEON collaborates with CCNO on their administration of the Living Well Program, and serves on that project leadership team for CCNO. |
| Eastern Oregon Head Start | Current NEON Board Vice Chair and Leadership Team member, and collaborates on the Health Insurance Exchange Grant project, providing project space and staff supervision while project staff provide onsite enrollment to Head Start parents. |
| Office of Equity and Inclusion | State office regulating the Community Health Worker Training Program. NEON staff sits on the Traditional Health Worker Steering Committee, and the OEI Health Policy Review Committee. |
| PacificSource Health Plans | PacificSource Foundation has funded the CHW training program. Their foundation board director is a prior NEON Board Member. They have also agreed to hear business cases for CHW reimbursement. |
| Community Health Access Project, Dr. Sarah Redding | CHAP is the initial model developer of the Hub Evidence Based practice. Dr. Sarah Redding serves as a project consultant currently, and is assisting NEON in Hub implementation in line with the evidence based practice, in order to more quickly reach accreditation once the process in public. |
| **Funding Organizations** |
| **Past** | **Current** |
| HRSA Federal Office of Rural Health Policy: $530,000 | Center for Disease Control Small Community Transformation Grant: $572,776 |
| ARRA Funding State Health Access Program Subgrantee: $1,100,000 | Oregon Health Authority Cover Oregon Grant: $196,617 |
| HRSA Bureau of Primary Health Care: $80,000 | HRSA Office of Rural Health Policy: $450,000 |
| CMS CHIPRA Cycle I Funding: $465,000 | PacificSource Foundation: $30,000 |
| Regence Foundation: $65,000 | Oregon Health Authority SHIBA Program: $8,000 |
| PacificSource Foundation: $25,000 |  |
| Northwest Health Foundation: $12,000 |  |
| Wildhorse Foundation: $4,000 |  |
| Oregon Health Authority: $12,000 |  |
| Office of Multicultural Health: $6,600 |  |
| **Trade Associations or Networks** |
| **Name** | **Description** |
| National Cooperative of Health Networks | National professional association for health networks. |
| Communities Joined in Action | National professional association for community collaboratives. |
| Oregon Community Health Workers Association | Oregon state professional association for Community Health Workers |
| **Key Regulators** |
| **Name** | **Role** |
| Oregon Health Authority | OHA, through the Office of Health Equity and Inclusion, reviews and approves the CHW Training Program every three years |
| Centers for Medicaid and Medicare Services | NEON is not regulated directly by this entity, but the conditions of the CMS waiver for CHW reimbursement are relevant to both the NEON CHW training program and the set up of the Hub Program |
| Community Health Access Project (CHAP) | CHAP is not a current regulator, but is in the process of developing a hub certification that NEON would want to be accredited by once certification in opened to non demonstration sites. |
| Individual grantors | Each grantor, as listed above, has regulations, both programmatic and fiscal, that govern each grant program per the terms of the grant agreement and the approved grant budget and work plan. |
| Federal government | NEON is subject to a federal A-133 audit during years we spend over $500,000 in federal funding. We are also subject to 990 reporting and IRS regulations of tax exempt charitable organizations. |
| **Key Support Contracts** |
| **Name** | **Function** |
| Susan Gilstrap | Accountant, responsible for quarterly and annual tax reports and payments, and annual audit preparation |
| Guyer and Associates | Auditing firm |
| Vistalogic | Hub data tracking system contractors |
| Ckarke and Clarke | Professional and liability, and retirement, health and life insurance contractors |
| Eastern Oregon Network Incorporated | Internet and landline phone, and technology (computers and network) contractors |
| **PRODUCTS** |
| **Product or Program Name** | **Description** |
| NEON Pathways Community Hub | Implementation of the AHRQ evidence based practice Pathways Community Hub, a CHW based care coordination best practice designed to meet social determinant of health needs of the most at risk patients and reduce health care utilization and improve health outcomes. |
| Community Health Worker Training Institute | A state approved training program to train and certify rural Community Health Workers in the state of Oregon. |
| Outreach and enrollment assistance into health coverage options. | Patient navigators outreach and provide enrollment assistance to members of the public into public and private health care options through the new Oregon State Health Insurance Exchange. |
| NEON Technical Assistance and Consulting Services | A broad array of technical assistance to nonprofit and health providers ranging from community health assessments, to grant writing and sustainability planning, to program evaluation and organizational development services. |
| **PREMISES** |
| **Insurance Details:** NEON’s professional and general liability insurance, including the Directors and Officers Insurance, is through the Philadelphia Company. D&O is $1,000,000, as is employment practices coverage. Professional liability is $2,000,000 aggregate and $1,000,000 per incident. General liability is $2,000,000 aggregate, $1,000,000 each occurrence. There is also an auto liability rider of $1,000,000. A Bell endorsement is included. Current coverage extends from 7/6/13 to 7/6/14 and is renewable annually. |
| **Location 1** | 1802 4th Street, Suite A, La Grande, OR 97850 |
| **Rent per year** | $15,000 |
| **Rent agreement** | Leave |
| **Payment structure** | Monthly payments of $1,250 |
| **Rent term** | yearly |
| **Leave renewable?** | yes |
| **Next rent review** | February, 2014 |
| **Review frequency** | yearly |
| **Responsibility for repairs** | Outside repairs, landlord. Inside repairs, except for bathrooms and plumbing, NEON. |
| **Location 2** | 401 NE 1st, Enterprise, OR 97828 |
| **Rent per year** | $1,800 |
| **Rent agreement** | Lease |
| **Payment structure** | Pay every six month payment of $900 |
| **Rent term** | yearly |
| **Lease renewable?** | Yes |
| **Next rent review** | September, 2014 |
| **Review frequency** | Yearly |
| **Responsibility for repairs** | Landlord |
| **Are there any premises issues?** At the moment we are full on space, with no room for additional staffing, record or equipment capacity. Also, we have no permanent office space presence in Baker County. |

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| **PRODCUT ONE: NEON COMMUNITY HUB** |
| **Describe the product or program:** The Northeast Oregon Network (NEON) proposed Pathways Community Hub Project will achieve a fully self sustainable implementation of the AHRQ Pathways Community Hub care coordination evidence based practice. The Hub infrastructure provides tools and strategies needed to ensure that at-risk individuals in a community are served in a timely, coordinated manner, and utilizes a newly trained Community Health Worker (CHW) workforce to do so. The Hub ensures that persons and populations are connected to meaningful health and social services that contribute to positive health outcomes. Hubs help avoid duplication of effort in care coordination and keep individuals from falling through the cracks. To accomplish its goals, the Pathways Community Hub provides centralized processes, systems, and resources that allow systematic tracking of those being served and that tie incentive payments to milestones that improve the patient’s health and well-being. The three overarching goals of the Hub are as follows:* Improve health care by implementing common health and social service integration evidence based practices across providers and social services;
* Improve patient health by reducing the incidence rate of chronic diseases through focusing on addressing social determinants of health and health behavior change;
* Reduce total cost of care by reducing ER and inpatient costs through better self management of existing chronic health conditions.

The functions the Hub will carry out are listed below:* Contracting/funding and payment
* Training of CHWs
* Client enrollment and tracking
* Data collection systems and outcome measurement.
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| **SOCIAL PURPOSE** |
| **Who will benefit?** Given that the current hub focus is on adults with chronic conditions, the primary beneficiaries are listed below:* Community members with high risks for chronic health conditions and/or high social determinant of health needs,
* Primary Care Providers
* Local Hospitals, (in that their uncompensated care rate will lower),
* Health and social service providers,
* Public Health Departments,
* Local employers,
* Private and public health payers,
* State Government, especially DHS divisions.

If the Hub implementation were extended to focus on early childhood issues, as it easily could be, then in addition to those listed above, the following would benefit:* Early education and early intervention,
* Schools,
* Early Childhood Hubs,
* Juvenile Departments.
 |
| **Who might be harmed?**Because this implementation will, over time, lower health care costs by improving long term outcomes, hospitals and specialty providers of high cost care for those with chronic conditions will likely see reduced utilization, which can translate into reduced revenue, a challenging change for already lean critical access hospitals. Any entity whose reimbursement or funding formula is affected negatively by either reduced utilization or risk in a population could be harmed.  |
| **Why is there a need?**The NEON region counties experience cardiac impacts at a much higher rate than state or national rates, both in terms of prevalence and mortality rates. The following table summarizes the prevalence data for Union, Baker and Wallowa counties.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| *Condition* | *Total NEON population[[1]](#footnote-1)* | *NEON region prevalence rate[[2]](#footnote-2)* | *Oregon State Prevalence rate[[3]](#footnote-3)* | *National Prevalence Rate[[4]](#footnote-4)* |
| Diabetes | 4,610 | 10% | 7.2% | 9.5% |
| Hypertension | 17,599 | 36% | 26.6% | 30.9% |
| High Cholesterol | 22,653 | 47% | 32.2% | 38.4% |
| Heart Attack | 2,263 | 5% | 3.3% | No comparable data |
| Stroke | 1,986 | 4% | 3.5% | 2.6% |

The following table summarizes the mortality data:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| *Cause of Death* | *NEON Region Rate* | *Rural Oregon Rate* | *Oregon Rate* | *National Rate[[5]](#footnote-5)* |
| Total Death Rate | 1118.1 | 977.8 | 814.6 | 799.5 |
| Heart Disease | 242.2 | 210.1 | 169.4 | 193.6 |
| Cerebrovascular Disease | 59.4 | 60.4 | 51.2 | 41.9 |
| COPD | 83.1 | 63.8 | 48.8 | 44.7 |
| Diabetes | 28.0 | 33.7 | 28.4 | 22.4 |

The following table details some sense of the social determinant of health needs faced by the population: |
| **How will this product/program meet the need?**The NEON Pathways Community Hub project aims to address the overall health disparity of excess rates of cardiac and diabetic disease incidence and excess rates of death due to the same conditions in the NEON population. The project will address this overall disparity by ensuring care coordination services are available to address the social and health needs of the population created by the poor socio demographic status of the communities in the region. Finally, NEON will assure the ongoing success of the model by aligning payment with outcomes, rather than services, and securing ongoing third party payer support via demonstrated return on investment. |
| **How will social impact be measured?**Social impact will be measured at three levels; the individual hub participant, all hub participants as a group, and the general population. There are clinical measures, such as blood pressure and cholesterol measures, as well as social measures, such as number of resources obtained that will be measured at an individual and hub group participant level. Oregon public health population prevalence data and BRFSS data will be used to track general population impact over time. |
| **Stakeholder/public views on the product/program:**NEON currently has ten partners committed to the Hub, who view it positively and provide support in the form of data collection, leadership team membership, or joint advocacy for funding. The project is also viewed very positively by OHA, the Office of Equity and Inclusion, the state Medicare Quality Assurance contractor (Acumentra health), the State Office of Rural Health, and several key partners in Malheur, Hood River and Deschutes County. This project has been supported by one health insurer foundation, whose business side appears to be supportive and open to a business case at some point. While less and open than the positive feedback, the project appears to raise concerns with at least two local critical access hospitals due to a potential impact on the hospital’s bottom lines due to hospital admission reductions. This is heightened by the fact that the critical access hospitals are still subject to cost based reimbursement for Medicaid. It is not known the view of the other non hospital CCO partners (GOBHI and Moda). Staff from both organizations have been exposed to the project, and have alternately expressed support in the early stages, and then been reluctant to support further project development with letters of support, and have not been open to further meetings with leadership to explore options. Reasons for this shift are unknown. The local CCO CAC councils do not as of yet have the project formally on their radar screen, though most medical and social service members of the CACs have been exposed to the project and are aware of it. NEON does have national support in the form of the model developers and several key funders, among them the CDC. |
| **ENVIRONMENTAL ANALYSIS AND STRATEGY** |
| **Key issues in the external environment:**Key issues in the external environment are as follows:* Federal health care reform in the form of the ACA, especially the coverage expansion elements that will create more coverage for currently uninsured and undersinsured people
* Our CCO’s board is made up of critical access hospitals greatly concerned about reduction in hospital revenue, and a traditional Medicaid managed care payer, creating an interesting board dynamic
* Our CCO is an LLC with none of its own staffing
* The change in the federal Medicaid rule that allows states to file a plan that will allow for billing of non licensed providers for preventive services when patients are referred to them by a licensed provider
 |
| **Key issues in the industry:**Key issues in the industry are as follows:* High degree of pressure on CCOs and Qualified Health Plans to keep costs down and meet clinical and quality indicators
* Fear about the future and sustainability for payers, hospitals and primary care providers
* For CCOs the need to involve the communities and the CACs in the ongoing process of innovative programming and payment
 |
| **Key critical success factors:**Key factors critical to our success are listed below:* In order to obtain long term payer support we must be able to demonstrate from local data that the Hub can both reduce overall cost of care and improve clinical outcome indicators, either from the CCO incentive metric list or from NCQA metric lists.
* We must also prove that we can do it more efficiently than a payer could if they attempted to do the same service themselves.
* We need to be able to connect with the key decision makers with each targeted payer, and engage them in a collaborative mind set, particularly with our CCO.
* We need to have the commitment and engagement of the local providers we are working with, so it is beyond just our agency asking.
* We need to figure out how to engage the state of Oregon in this project support, whether from the Office of Equity and Inclusion, from State Public Health, or from the governor’s office.
* We must find initial investment funding to make outcome payments in order to move volume through the system in order to obtain data for ROI analysis and business cases
* We need to figure out how to capitalize better publicly on our successes and what reputation we have as a leader
 |
| **Strategy to meet critical success factors:*** Obtain significant 2-3 year funding for pathways outcome payments from grant or other investor sources.
* Build evaluation capacity to measure clinical outcomes and return on investment measures to build business case to payers.
* Work with leadership team to build partnerships among local providers to leverage relationship/connections/requests to payers.
* Hire well connected consultant to work with us to obtain access to and prepare business cases for payers.
* Work with the OHA, specifically the office of Equity and Inclusion and the Transformation office to build connections to the CCO process.
* Connect with OHA and the EOCCO to explore options related to the new federal Medicaid rules for payment for preventive services provided by non licensed providers when referred by a licensed provider.
* Expand Hub base into other interested counties (Malheur and possibly Hood River, Deschutes have shown at least initial interest in the model) in order to build state wide momentum.
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| **MARKET ANALYSIS** |
| **Who are the projected customers?**There are three levels of customers. One is the community member with a chronic illness, who will not be paying for the service, but would need to want to engage with the program. The second is the organization employing the CHW (either local health or social service agency), who would need to want to sign a Hub agreement and participate in the program to provide the services to their clients. The third is payer, most likely a public or private health insurance organization. |
| **What is the customer motivation to purchase product/program?**The community member motivation will be the desire for improved health and for support to make behavior change. The CHW employer organization motivation will be the desire to improve services to and outcome for patients/clients, and to gain reimbursement for CHW work in their organization.The third party payer motivation will be reduced utilization of high cost services and an overall reduced cost of care, and increased progress towards health outcome metrics set by the payer or their regulators/funders. Specifically with CCOs, they have a legislative mandate to provide services within a global budget, a mandate to meet certain clinical population based health outcome incentive measures in order to receive their 2% withhold, and a non specific mandate to utilize the traditional health worker workforce. |
| **Summarize market research carried out and key findings:**No formal market research has been done at this time.  |
| **List major actual, potential or perceived competitors and their strengths and weaknesses:**There are no actual competitors at this point, as there are no other hubs. There are, however, perceived or potential competitors. The primary potential competitor are the local CCO, who may decide it wants to provide these services itself, and does not want to contract with a hub to do so. In addition, the state mandated early childhood hubs may also perceive themselves in competition, as well as traditional early childhood home visiting programs. We have also heard concern from the Home Care Commission and home care workers and the organizations that employ them. |
| **Summarize any market testing and results:**None at this time. |
| **Key points from similar social enterprise research:*** It is key to engage Medicaid payers
* It is key to measure outcome
* Programs that follow the AHRQ practice and defined pathways more closely tend to have better outcomes
* The desired outcomes need to be clear
* In order to navigate tricky potential competition issues, the Hub should have an advisory council made up of Hub organization participants to “set the rules” of the system
 |
| **MARKETING AND SALES** |
| **What is the pricing analysis and strategy?**Pricing strategy is based upon utilization data from Dr. Sarah Redding, the Hub consultant; partner costs for salary, benefits and administrative overhead for CHWs, and NEON costs to run a fully sustainable hub. The payment is made only at completion of the pathways, so number of home visits, travel costs, and average length of home visit to completion are based on CHAP data, since NEON has no historical data at this point. The per hour salary, benefit and overhead cost for a CHW is an average of costs from four partners. When NEON compared the price point needed for NEON and partners to break even, it was comparable to the CHAP data provided. The payment amount is higher than the actual cost, as payments are made only at outcome, and not all Hub participants will complete all pathways. The pricing model assumes a 70% completion rate of pathways in the breakeven point. See the attached proposed outcome payment document in attachment 1.  |
| **What is the marketing strategy?**The strategy currently has been to obtain the support of key local hub partners, and work through them to obtain the support of payers and other local partners. This strategy with payers is in the beginning phases of implementation.  |
| **What is the promotion and advertising strategy?**The primary promotion strategy has been three fold:* Strong representation on local collaborative groups and frequent presentation of the hub model and possibilities to the local partners and entitles.
* Connection with state level partners such as the Office of Health Equity and Inclusion who support our program, particularly the CHW training component, and give us access to key state policy level information relevant to our program,
* Presentation at state wide conferences where a broader audience of health and social service providers around the state can learn of our efforts.
 |
| **What are the quality improvement, customer care, and feedback strategies?**The Hub Coordinator will be the position responsible for Hub QI, Customer Care and Feedback elements. The primary cornerstone of quality customer care will be the connection and relationship the Coordinator has with the contracting agencies, both the payers and the CHW employing organizations to identify any concerns early. NEON also has a formal complaint process that can be used to resolve significant concerns. NEON utilizes a yearly customer survey that rates people’s satisfaction with NEON and the Hub services. We also utilize a leadership team to advise the staff and board on program design and development. The leadership team has members representative of the organizations participating in the Hub. |
| **Marketing Plan Details** |
| **Entities responsible for marketing plan creation** | Tayde McAndie and Lisa Ladendorff |
| **Entities responsible for marketing plan monitoring and revision** | Tayde McAndie |
| **Entities responsible for marketing plan evaluation** | Tayde McAndie and Lisa Ladendorff, with report to the board. |
| **Marketing budget** | $1,800 a year for each year of the three year projected budget. |
| **Marketing plan time frame** | Most marketing needs to be done with third party payers, and will consist of research of payers, outcomes measurement and preparation of ROI cases, and preparation of presentation materials. While we will work on initial phases from the current date one, the heaviest marketing is expected to be done from 10/1/2014 to 9/30/2015, as this will be the point in time when we have initial data for ROI measurements and will be working heavily with third party payers.  |
| **OPERATIONS**  |
| **Who are the major suppliers/contractors?**Current suppliers/contractors are Vistalogic, who is supplying the data collection and tracking system for the Hub enrollment and pathways completion data. |
| **Are there any alternatives?**CHAP states they have a system for purchase and use as well. |
| **What are the advantages from using the supplier/contractors listed above?**We have a strategic relationship with Vistalogic and get reduced rates and good access to the developers. It is also a hosted cloud based model, which means that we pay all costs and community partners in the hub can use at no costs to them, and that we do not have to maintain physical servers and associated security to ensure safety and confidentiality of the data. They are also an Oregon specific company, and are used by the one other active Hub implementation in the state. |
| **List of current equipment:**Current equipment consists of three servers, five computers, two of them laptops, a postage machine, two copiers (one for volume, one for color printing for marketing materials) and general office furniture and equipment.  |
| **Equipment required:**It is likely that at least one new copier may be needed over the next three years, and possibly two replacement computers. |
| **Cost of equipment required and financing/purchasing plan:**The copier cost is estimated at $6,000, as the current one was purchased for $5,000. Computers with complete set up are priced at $1,000 each. The cost of these items is figured into the regular operating budget, and no financing is expected to be needed. |
| **Details on key action items or benchmark dates:**The current budget projections depend upon reimbursement from third party payers beginning in year two of the project and increasing to full capacity by the end of year three. |
| **FINANCE** |
| **3 Year Profit & Loss Projections:** See 3 year budget and profit and loss projections in Attachment 1. |
| **Brief details of budget assumptions:**Budget is based upon full time staffing for a fully functional hub. Based upon the proposed reimbursement rates, with a 25% withhold for the hub, the breakeven point (based upon the average pathway payment, since we have no pathways data for analysis) is 4,173 successfully completed and reimbursed pathways per year. Given that we assumed a 70% completion rate, this mean the hub capacity as reflected in the budget has to be able to handle 5,961 pathways per year. At a projected rate of 5 pathways per year per Hub participant, this would assume a hub participant volume of 1,192 participants per year, a 2.5% penetration rate of the general population, a 6.7% penetration rate of those diagnosed with hypertension, and a 5.3% penetration rate of those diagnosed with high cholesterol. Given that we assumed an average length of stay of six months per participant, and an average caseload of 30 participants per CHW at any given time, this translates into 17 full time CHWs working in the tri county region. Pathways payments are assumed to be held steady throughout the three years.The budget assumes a 2% yearly increase in staff wages for each year, and a taxes and benefit rate of 30%. It assumes an increase in rent of $200 per month for each year of the budget, and stable internet and phone expenses. Mileage also remains steady, with an assumption of 33,747 miles traveled each year at $.57/mile, a fairly generous mileage budget. The cost of a replacement copier purchase over three years and of moving from server based to cloud computing based network are included, as is an increase in program evaluation costs from year 1 to year 2. This is because it is expected complexity of evaluation will grow as the data set grows. Other operational expenses are held steady, and are based upon current costs. Finally, NEON is projected to set aside reserves in the amount of $40,000 per year for years two and three of the project.  |
| **Realistic 3 year cash flow forecast:** See the three year projected cash flow in Attachment 2. |
| **Brief details of cash flow forecast:**Earned income revenue from the Pathways Hub is projected to be $27,625 in year one, $285,450 in year two, and $582,140 in year three. See Attachment 1, Revenue Generation Forecast sheet for details.  |
| **Balance Sheet:** The current NEON balance sheet reflects Current assets of $87,092, and current liabilities of $4,985. However, most of NEON’s assets are restricted by grant funding, and cash is drawn down on a monthly basis from grantors. NEON currently carries $47,709 in general NEON reserves, which are restricted for use by the NEON board, and $11,927 in Community Health Alliance reserves, which are expected to be unspent and will revert to general NEON reserves in July of 2014. NEON currently has $3,009 in unrestricted accounts. |
| **Amount of development finance required, what for and for how long:**Development finance will be required for the first 3.5 years of the project. $364,912 will be required in year one, $231,484 in year two, and $155,665 in year 3. NEON is seeking a total of $1,000,000 over the next three and a half years, $246,939 more than needed in order to provide a reserve cushion with which to enter year 4, the first fully self sustaining year. |
| **Details of finance funding, what for and how long:**Finance funding will be sought through grants. NEON already has an application submitted for $900,000 over three years from the Office of Federal Rural Health Policy, to start in May, 2014 if funding is awarded, and $100,000 from Meyer Memorial Trust to start in September 2014 if awarded. NEON will also be submitting a grant to the Office of the Assistant Secretary of Health Mobilization for Prevention Partnership awards for $500,000 a year for three years, funding to start in July, 2014 if awarded. |
| **Scenario planning if funding not secured:**NEON is submitting three grant applications for every one needed to be obtained for the financing, in order to increase our chances of securing funding. If funding is not secured, we will continue to build the business case, though it will proceed much more slowly without the volume flowing through the Hub. |

1. State of Oregon. 2008-2011 Behavior Risk Factors Surveillance System (BRFSS) County-level Information. *Age adjusted and unadjusted prevalence of selected chronic conditions among adults, by county, Oregon 2008-2011.* Oregon Public Health Division,. <http://public.health.oregon.gov/DiseasesConditions/ChronicDisease/Documents/Table%20I.pdf> Published 2011. Accessed November 22, 2013. [↑](#footnote-ref-1)
2. Ibid. [↑](#footnote-ref-2)
3. Ibid. [↑](#footnote-ref-3)
4. Centers for Disease Control. Health Indicator Sortable Stats. *Sortable Risk Factors and Indicators, Health Burden, 2011.* Centers for Disease Control, 2012. Web, 22 Nov., 2013 <http://wwwn.cdc.gov/sortablestats/> [↑](#footnote-ref-4)
5. Centers for Disease Control. Health Indicator Sortable Stats. *Sortable Risk Factors and Indicators, Death Rates, 2011.* Centers for Disease Control, 2012. Web, 22 Nov., 2013 <http://wwwn.cdc.gov/sortablestats/> [↑](#footnote-ref-5)