



METROPOLITAN ALLIANCE of
CONNECTED COMMUNITIES

Courageously Collaborative

MACC GOVERNMENT PARTNERSHIP PROJECT REPORT | MARCH 2019

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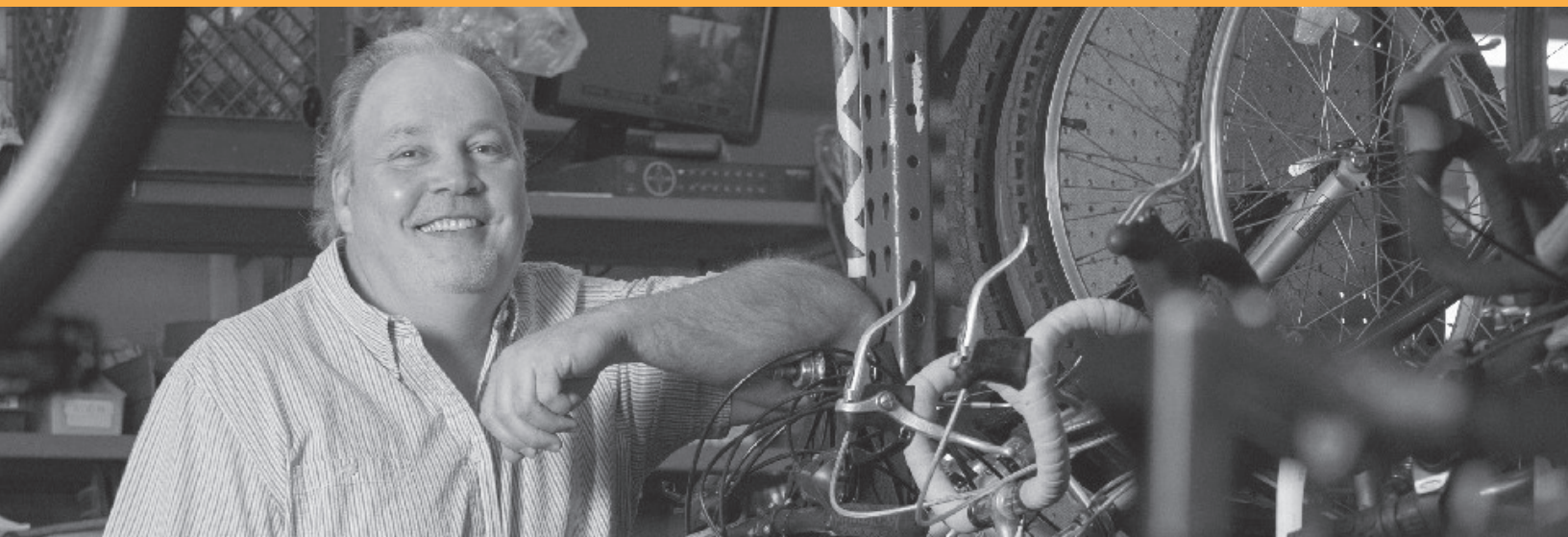


TABLE OF CONTENTS

Introduction.....	3
Brief Summary	4
Recommendations.....	6
Member Convenings.....	8
Literature Review	14
Environmental Scan	20
References	22



In its current state, large parts of the human services ecosystem are broken and partnerships between community-based organizations (CBOs) and government agencies are failing.

The relationships between CBOs and government funders are often adversarial rather than collaborative due in part to the inability of members to articulate the challenges they face, as well as archaic contract structures.

The MACC government partnership initiative set out to uncover what is getting in the way of this work so mutually beneficial partnerships can be formed that serve and promote community success. To this end, MACC set out to:

1. understand the shared challenges getting in the way of effective partnership of nonprofits contracting with counties;
2. build shared language for defining and describing how these challenges impact service delivery and community outcomes;
3. explore possible solutions and opportunities for partnership both within the network, and with the county; and
4. connect the network, build relationships, understand the network's capabilities, build energy, and deepen relationships to fuel future collaborative work.

To meet these objectives, this project focused on completing three main tasks:

1. facilitating member convenings and synthesizing learnings to develop recommendations for actions and next steps;
2. conducting a limited literature review to identify key learnings for designing an approach to partnership with government HHS, including specifics on contract/procurement reform; and
3. conducting a limited environmental scan to identify other coalitions and organizations engaged in similar work.

INTRODUCTION



BRIEF SUMMARY

In this section, a brief summary will be provided for each of the three tasks identified in the project, including: a synthesis of member convenings, literature review summary, and environmental scan.

More detailed information on each task can be found in the full reports, which are located after the recommendation section in this report.

SYNTHESIS OF CONVENINGS

The convenings explored partnerships between government agencies and community-based organizations from the perspective of MACC members. Two convenings took place, one at Emerge Community Development and the other at the Neighborhood House Wellstone Center. The convenings explored topics around what is working well between CBOs and government partners, what challenges exist in these partnerships, and member-suggested recommendations on ways to strengthen partnerships and improve contracts.

What is going well

Members noted that when strong relationships occur, they involve innovation, secure financial contracts and payments, collaborative relationships, and a multidisciplinary team.

Challenges that exist

Members identified insufficient funding, static contract rates that do not account for full cost of programming, issues in service capacity (i.e. staff turnover), lack of appreciation of CBO role and value, and uncooperative partnerships as challenges that limit CBO and county contracts.

Member suggested recommendations

Members suggested recommendations that centered on relationship building, improving contracts, and expanding collaboration. MACC members noted it is important to engage county representatives at multiple levels, train CBOs on successful relationship management strategies, and work with transparency to improve relationships. They advocated that contracts should cover the full costs of services, extend beyond two years, and be negotiated with a commitment to the partnership. In contract negotiation, and in all aspects of service delivery, MACC members noted the necessity for things to be done in collaboration with one another. They urged for the co-creation of goals/outcomes, collaborative contract negotiations, and the creation of joint approaches between MACC members.



LITERATURE REVIEW SUMMARY

The literature review used the five “North Stars” (key issues) of A National Imperative: Joining Forces to Strengthen Human Services in America as a framework for presenting knowledge gleaned from the review, including:

1. a commitment to outcomes,
2. capacity for innovation,
3. strategic partnerships,
4. new financial strategies, and
5. regulatory modernization.

A particular focus was placed on the key issues of a commitment to outcomes, strategic partnerships, and new financial strategies as they most frequently appeared in the literature. Through the literature review, a focus on outcomes and collaboration was noted. During every step of the partnership (from engagement to contracting, financing, and reporting) the literature highlighted the importance of constant collaboration (strategically partnering) and a commitment to outcomes. The literature noted the importance of outcomes in defining agreed upon services, program goals, measurement metrics, and payment. The review spent extra time exploring outcomes-based payment contracts for financial reform as this was frequently noted in the literature as the suggested financial strategy for covering services within these types of partnerships.

ENVIRONMENTAL SCAN REPORT

A limited number of MN government agencies were discovered in the literature review/environmental scan. Strategic government partnerships were frequently discussed in relation to partnerships between CBOs and health care organizations in the literature. The environmental scan includes a number of examples of partnerships between CBOs and government organizations that exemplify the literature review findings of successful partnerships and collaborations.



RECOMMENDATIONS

From the information collected in the three identified tasks of the project, recommendations for actions and next steps are suggested.

START BY ENGAGING AND BUILDING RELATIONSHIPS AT THE COUNTY

It is suggested that MACC begin their efforts by engaging leadership at the county government. Partnerships cannot be developed, sustained, or strengthened until there is a positive relationship between MACC and the county. This is the critical first step to strengthening partnerships between MACC members and the county.

Here it will be important to find out:

- Who are the point people at the county with whom to maintain contact? (Being mindful to engage key decision makers as well as contacts at multiple levels of government.)
- Who are the partners / champions within the network?

As connections are made, engaging county partners in conversations to better understand how they hope to partner and work with CBOs is a necessary next step. Through these conversations, MACC can build a larger understanding of the goals and expectations of county partners when partnering with CBOs.



While meeting with county partners it will be helpful to ask questions such as:

- How do you define success with CBOs and contracting services? What does an effective partnership with a CBO look like to the county?
 - » Can you provide an example of a successful partnership you have had?
 - » Can you provide an example of one that was not?
- What challenges get in the way of effective partnerships with CBOs?
- How do you want to effect change in your relationships with CBOs?
- What opportunities do you see for future partnerships with CBOs?
 - » What does the county want/need from CBOs?
 - » Is there a project you are particularly interested in from CBOs?
- How familiar are you with the key issues identified in the A National Imperative: Joining Forces to Strengthen Human Services in America report? If familiar, are you committed to working to address these key issues?
- Are you willing to set time aside to learn more about CBOs and about the needs of CBOs within partnership with the county?
- What are county members' thoughts on outcomes-based performance contracts?
 - » Have you heard of them?
 - » Are you using them?
 - » Advantages/opportunities to using them?
 - » Disadvantages?

FURTHER EXPLORE OUTCOMES-BASED MEASUREMENT & PAYMENT CONTRACTS

A commitment to outcomes in defining program goals, measuring program success, and as criteria for payment is seen throughout the literature and needs to be a focus for continued research in the future. It will be helpful to ensure members know how to clearly define outcomes and how to operationalize and measure outcomes through data collection and analysis to create strong contracts and service delivery. Further research should be done on transitioning to outcomes-based payment models for future contract negotiations that more nearly support the full range of service costs of CBOs.



MEMBER CONVENINGS

SUMMARY OF GOVERNMENT PARTNERSHIP DIALOGUE #1 (JAN 24, 2019)

Emerge Community Development

Dialogue Participants

- » Brian Russ, Annex Teen Clinic
- » Molly Greenman, The Family Partnership
- » Ann Gaasch, FamilyWise
- » Juan Peraza, Pillsbury United Communities
- » Mike Wynne, Emerge Community Development
- » Jill Pearson-Wood, Emerge Community Development
- » Heather Wilmot-LeMay, St. Stephen's
- » Mark Downey, PCYC
- » Mary Serie, Family Enhancement Center
- » Steve Houtz, MACC
- » Trisha Reinhold, MACC
- » Clara Owen, MACC
- » Laurel Hansen, MACC
- » Cheryl Jensen, Strategic Consulting & Coaching



MEMBER SHARING

What is working well between community-based organizations (CBOs) and county contacts?

Where strong relationships exist, there are examples of innovation such as pilots, testing new approaches, and expanded services. Peer relationships and partnerships go beyond contracts and vendor relationships—they are grounded in shared vision, understanding, and goals.

Relationships are enhanced when the following occurs: co-creation, in-person communication, community meetings, multiple staff engaged, open meetings, shared input, and agreement on shared problems and goals.

In instances where relationships and contracts are working, there are examples of invoices paid on time, flexibility in allocations and budget revisions, responsiveness, and longer-term contracts.

County relationships include the county point people and contractors, county planners, commissioners, and decision makers. Having more people at the table seems to positively impact contractual relationships.

What are the current challenges between community-based organizations (CBOs) and county contacts?

The requirements of county contracts aren't fully covered by the contract payment terms.

Contract rates with nonprofits are static, lack provisions

to address rising costs, and need more transparency, especially when compared to how for-profit providers are compensated.

CBOs struggle with staff turnover and are impacted by contract terms that don't provide competitive pay rates that support staff retention.

County relationships need to recognize that CBOs are doing the government's social work and recognize the return on investment that the government receives from the work of CBOs.



County and CBOs need to work cooperatively to address growing administrative complexity of contracts.

Member suggested recommendations to strengthen relationships and improve contracts:

Engage county representatives from all levels in the work of CBOs. Communicate, share, invite, meet. Be transparent and ask for transparency.

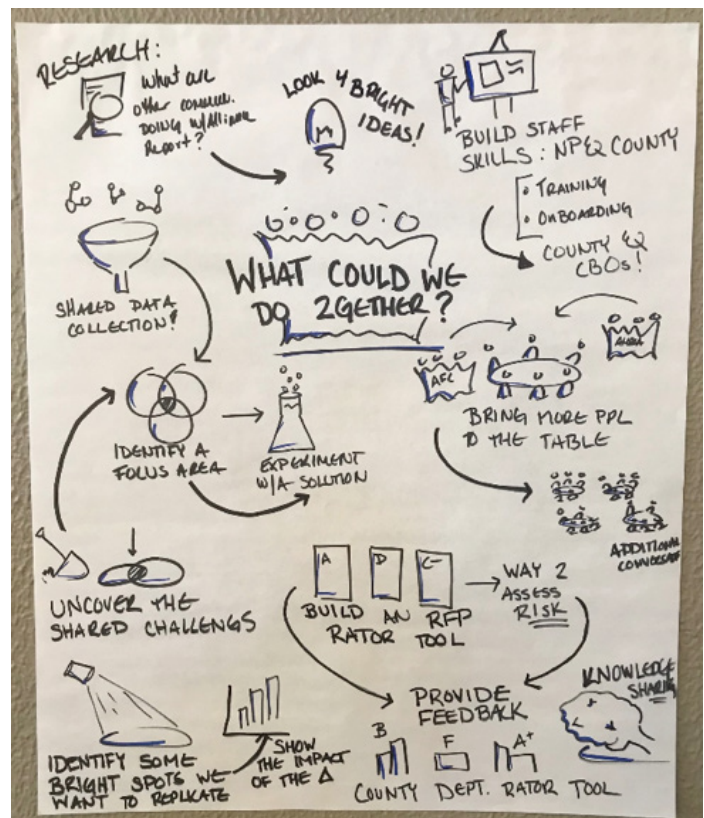
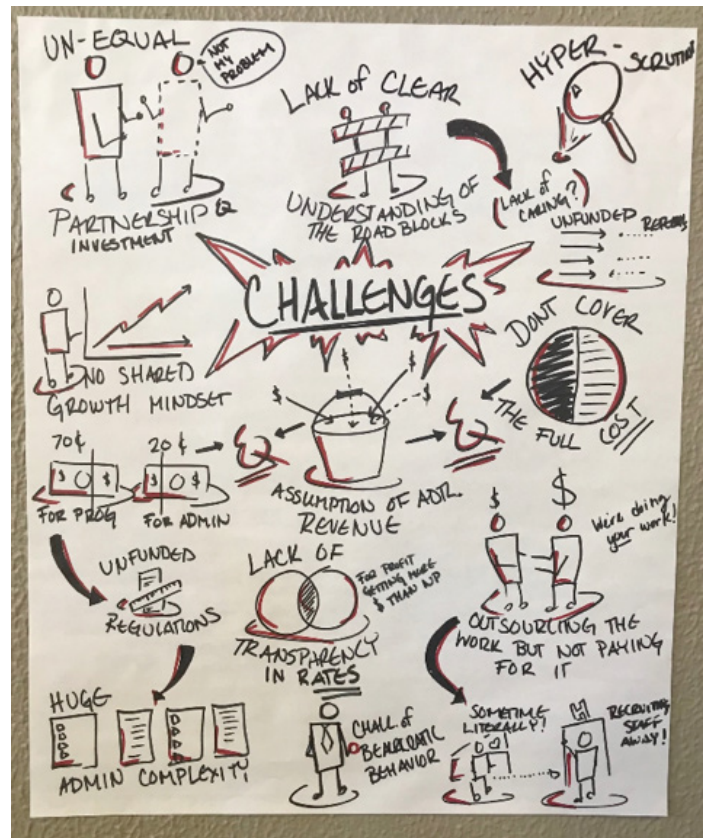
Elevate the building of county relationships within CBOs. Have a "relationship management strategy." Provide staff training on relationship building, layer county relationships, and strategically engage county representatives in organizations. Include effective county relationships as a requirement of staff job descriptions.

CBOs must analyze contracts and RFPs and complete risk assessments. They must ensure contracts will not deplete resources and become unprofitable. (MACC offers financial services in this arena). Organizations should be disciplined about contracts that deplete their resources and should share this concern with the county in order to be transparent.

During contract negotiation, address the need for CBO or program sustainability through fair contract terms. CBOs will not be able to continue to serve government needs if their work isn't sustainable through adequate terms.

Higher wages for CBOs must be addressed prior to county contract RFPs to ensure contract terms cover service delivery costs. Also encourage county to apply for state and/or federal funds to cover wage growth. Ask them to be part of the solution.

Consider a joint approach with MACC members to address the significant issue of county contracts not adequately fulfilling a CBO's efforts to meet contract



requirements, regulations, and administration. Make this an item to address at a convening with county representatives.

Pursue and recommend contracts that exceed 2+ years, to reduce time invested in pursuing and negotiating contracts.

Address any issues of un-timely payments as needed. Contract terms should call for a commitment to timely payments.

Co-create approaches to ensure both partners are invested and agree on issues and goals. Show counties how outcomes are improved when co-creation is the approach.

Ask counties to provide the opportunity for their staff to learn more about CBOs and how services are provided during their onboarding experience.

MACC members can collaborate, share expertise, learn, and support each other. There is significant experience within MACC membership.

Other potential steps:

- Complete additional research for examples of effective county relationships and partnerships.
- Further sharing and action around the National Imperative Report.
- Coordinate a convening with local county representatives.
- Develop and propose a county partner pilot to demonstrate a different approach.
- Use MACC's collective scale. Gather cumulative contract information from members. Share the challenges of operating unrealistic contracts that don't cover costs to provide outcomes. Illustrate the collective impact that is served through CBO contracts with counties.
- Consider other "crowd tools" for gathering CBO data and analysis around contracts and services.

SUMMARY GOVERNMENT PARTNERSHIP DIALOGUE #2 (FEB 13, 2019)

Neighborhood House Wellstone Center

DIALOGUE PARTICIPANTS

- » Paige Sumera, Keystone Community Services
- » Julie Ellefson, Southside Family Nurturing Center
- » Holly Calvillo, Neighborhood House
- » Joan Schlect, Neighborhood House

- » Nancy Brady, Neighborhood House
- » Denise Smieja, The Link
- » Charlie Thompson, Neighbors Inc.
- » Kristine Martin, East Side Neighborhood Services
- » Steve Houtz, MACC
- » Trisha Reinwald, MACC
- » Clara Owen, MACC
- » Cheryl Jensen, Strategic Consulting & Coaching

MEMBER SHARING

What is working well between community-based organizations (CBOs) and county contacts?

There are benefits of investing in strong county relationships: funding amount increases year to year, nurturing strong relationships with program managers and county commissioners is critical, and face time along with engagement, matters.

Taking time to discover shared objectives and being transparent.

Opportunities to be community leaders, trusted partners, and valued experts.

Improvements have been noted in the RFP process, communication of expectations, information sharing, etc.

The ongoing revenue stream from contracts is appreciated. Trusted relationships resulting in consistent funding.



Dakota County has been proactive in asking about costs and more effective partnerships. (Kelly Harder is director and accessible to CBOs).

What are the current challenges between community-based organizations (CBOs) and county contacts?

Concern about true costs of contracts that can include large time commitments. County rates can be locked in for 3-5 years, while costs are rising.

Funding doesn't adequately cover overhead, administration, and salaries. Stress of financial management of multiple contracts. Reporting requirements and billing can stress financial capacity. Admin caps are ridiculous.

There can be inconsistencies between multiple grant managers and funders. Changes to grants during grant period can be challenging. Turnover at the county adds to



challenges in creating relationships.

Hennepin County can be hard to collaborate and negotiate with because of size, but improvements and diversity have been noted.

Insufficient time to develop equitable contracts and gaps between contract periods. Lag times in payments creates challenges, while CBOs continue to provide service with no retroactive pay. Salary mandates can be non-negotiable.

Challenges of regulations and variations among county, state, and federal entities. County lines can create barriers.

Significant time is also required to maintain multiple relationships with various county contacts.

Navigating contracts is cumbersome and difficult especially for small organizations that can get left out. Needs more “human centered design;” not one size fits all.

Recommendations to strengthen relationships and improve contracts:

Attempt to negotiate ratios and admin rates with a unified voice. Use an approach of being “mutually beneficial” rather than demanding.

Consider how the MACC network could help overall positioning of CBOs as experts with counties and present a unified voice. Use collective voice and scale of the network.

Bring trust and transparency to relationships with counties. Utilize established relationships to grow revenue through increases in funding amounts. Remain a resource.

Explore the uncertainty about asking for support and/or stipends when our organizations step up to serve county needs.

Identify, explore, and attempt to replicate best practices that work at various counties and departments. (Example: Neighbor’s Inc. with Dakota County and Kelly Harder)

Understand the constraints counties operate under from state and federal entities.

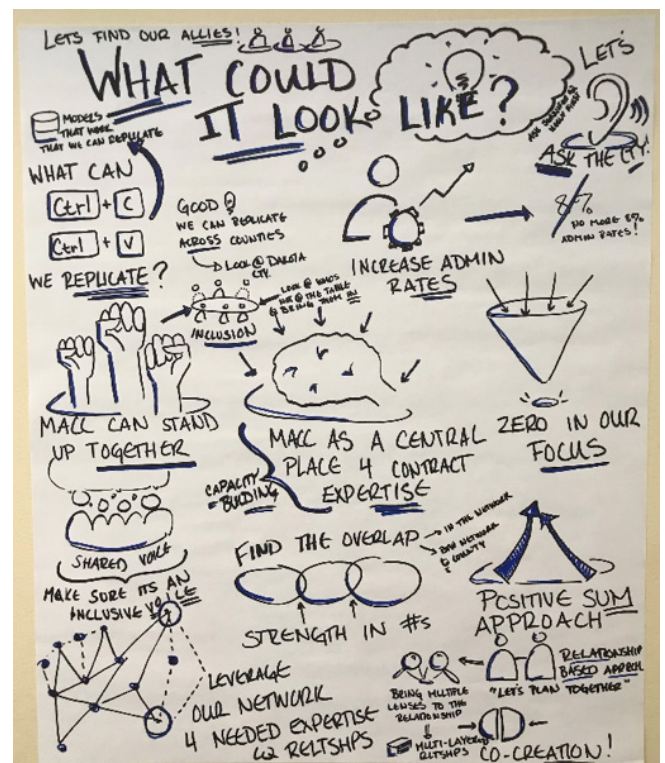
Counties have concerns about racial inequities and embedded racism in the criminal justice system; recognize that CBOs are valued partners in addressing this.

Developing relationships with commissioners is essential if you have high levels of organizational funding. Make the rounds and share those visits with county staff so they are aware.

Increase diversity of MACC members at the table, working collectively.

Other potential steps:

- Conducting informational interviews with countyDiscover “low hanging fruit” and opportunities to “take a risk.” Understand county’s thoughts, similarities, and “pain points.”
- The following individuals were identified as important connections: Jennifer, Kelly, and Ryan (tbd).





LITERATURE REVIEW

Strategic Partnership Literature Review

SYNTHESIZED FINDINGS

The Alliance for Strong Families and Communities and the American Public Human Services Association drafted A National Imperative: Joining Forces to Strengthen Human Services in America. In the report, the authors identified five key issues around which ecosystem partnerships should focus, including a commitment to outcomes, capacity for innovation, strategic partnerships, new financial strategies, and regulatory modernization. This literature review uses the five key issues, (i.e. the North Stars) as a framework in which to present the knowledge gleaned from the review because of their prevalence in discussions and articles related to strengthening partnerships. A special emphasis has been placed on the key issues of strategic partnerships and new financial strategies as they most frequently appeared in the literature review. These North Stars can be used as focus areas in developing and sustaining strong partnerships, contracts, and service ecosystems.

North Star 1: Commitment to Outcomes

Members of the ecosystem must commit to the achievement and measurement of a common set of outcomes rather than the services delivered.

A core element of effective partnerships is having the ability to collect and use data to inform decision-making and demonstrate outcomes. Members of the ecosystem must all commit to the achievement and measurement of shared outcomes in both practice and policy. In committing to outcomes, partners should work in collaboration to determine data collection methods, access, usage, and define the ways outcomes will be demonstrated.

1. **DATA COLLECTION:** The data collected by partners must accurately convey progress toward shared goals. Developing and tracking cross-partner analytics and performance metrics is a critical step that should be done in collaboration with all partners.
2. **DATA ACCESS:** Open communication and data sharing are critical among partners. Developing ways to share data must be agreed upon between partners and can include reporting partial or full access to data.



- a. **REPORTING ONLY:** Partners report data to a central system or lead agency after services are provided. In this agreement, partners can review program-level data both independently and together.
- b. **PARTIAL ACCESS:** Partners share service-level data with limited access to view full records and/or input data. In this agreement, partners maintain separate systems to track data and provide regular program updates to each other.
- c. **FULL ACCESS:** Partners can fully view and input service-data in real time, often through a join data system. In this agreement, partners regularly review program-level and/or outcomes data to inform decision-making.
- d. **DATA USAGE:** Data should be used by the partnership to improve the way services are delivered. Ways data will be used must be defined at the onset of the partnership and continuously revisited as programming is implemented.
- e. **DEMONSTRATING OUTCOMES:** The partnership must prioritize demonstrating and articulating outcomes using the data they collect. Consensus is needed between partners on clear outcome measures that are meaningful to each partner and the establishment of reporting processes to enable evaluation must be in place. These evaluations must assess both processes and outcomes as their results will help refine partnership components. In demonstrating

outcomes, it will be helpful to also demonstrate a return on investment to gain buy-in that resonates with stakeholders from the business/funding perspective.

North Star 2: Capacity for Innovation

Ecosystems must develop the capacity for innovation through better data sharing and analysis, technology, agility and adaptability, and knowledge and leadership exchange.

Beyond individuals served, partnerships may impact change and spur innovation at multiple levels including the partner, community, and systems levels.

- 1. **PARTNER LEVEL:** Through collaborative partnerships, partners build their organizational capacity and/or establish new capacities.
- 2. **COMMUNITY LEVEL:** Partnerships may develop new ways of working across and within the community, strengthening connections among service providers with funders, between social service agencies and systems, with academic research centers, and/or with government agencies.
- 3. **POLICY/SYSTEMS LEVEL:** The partnership may advance policy changes, influence payment and financial models, and/or contribute to the evidence-base of integrated approaches to inform research and practice.

North Star 3: Strategic Partnerships

All members of the ecosystem must work to establish deeper partnerships, mergers, affiliations, and networks to realize maximum value, efficiency, and impact.

A core element of effective partnerships is having strong relationships with other stakeholders. As CBOs and governments explore relationships, a clear understanding and articulation of the value that each can provide is critical to building, sustaining, and deepening partnerships. In creating the ecosystem, partners should focus on shared goals, maximizing partner value, leveraging external relationships, and fostering internal buy-in.

- 1. SHARED GOALS:** Mission alignment is the foundation for mutually beneficial collaborations. Partners should seek to share an understanding of the goals they seek to achieve in the partnership. Understanding the value of the partnership for achieving mutual goals can help build the case among partners to pursue such alliances.
- 2. MAXIMIZING PARTNER VALUE:** Partners all bring complementary expertise. Partnerships are most successful when collaboration is balanced and leverages each partner's core competencies. When assessing the value of a partnership it may be helpful to ask questions such as:
 - » What challenges the partner's ability to achieve desired outcomes?
 - » How can your agency help address this through partnership?
 - » Why is this approach more effective than alternative partnerships?
- 3. LEVERAGING EXTERNAL RELATIONSHIPS:** Creating an effective ecosystem requires government agencies to fully leverage relationships with the community, funders, and other professional networks to advance partnership goals. It will involve cultivating existing community capacity by aligning with partners already serving a priority population.

- 4. FOSTERING INTERNAL BUY-IN:** Creating strong ecosystems requires the support and participation of leadership and key staff at each organization. This will require making the case for the partnership to all members of the partnering organizations. It can take effort to educate on the factors and values of referrals and adjustments to workflow so that referrals are not just "one more thing to do" but are viewed as facilitators of their efforts to serve communities.

Another core element of effective partnership is delivering appropriate services in a way that achieves the goals of the partnership. This is accomplished through service alignment, workflow processes, service delivery capacity, and engaging the community.

- 1. SERVICE ALIGNMENT:** Services partnerships provide enable the partnership to achieve desired goals. Aligning missions and common values form the foundation for collaborative partnerships.
- 2. WORKFLOW PROCESSES/GOVERNANCE:** Workflow processes allow the partnership to deliver services effectively and efficiently. Partnership governance includes the norms, agreements, and processes that guide decision-making in the partnership. Various structures help outline the rules and accountability mechanism across partnerships and may be informal, negotiated or shared:
 - » Informal: No formal structure. Partners operate without formal agreements on leadership structure.
 - » Negotiated agreements: Leadership structure is governed by formal agreements, with one organization serving as the lead or accountable party.
 - » Shared accountability: Shared leadership and accountability through formal agreements, possibly including a joint board and/or a distinct backbone entity.
- 3. SERVICE DELIVERY CAPACITY:** Effective partnerships have the necessary time, people, and expertise to deliver effective services to the target population. To enhance service delivery capacity, partner-

ships should build the capacity of staff skillsets by developing an informed approach and training staff to be mindful of consumer sensitivities and to remove barriers to getting communities what they need.

- 4. ENGAGING THE COMMUNITY:** Effective partnerships ensure the target population is engaged to inform and improve service delivery. Efforts to reduce the stigma around seeking assistance will help to increase the number of consumers willing to accept services.

North Star 4: Regulatory Modernization

Governments need to work with human services CBOs to review and update the regulations, rules, and requirements in the human services ecosystem. The literature found for this review focuses on shifting the conversation from “How well does a CBO operate?” to “How well does the regulatory environment allow the CBO to operate?” Changing the regulatory environment may help to change the operation of CBOs and their partnerships within the ecosystem.

North Star 5: New Financial Strategies

Members of the ecosystem need to move to more modern outcomes-based contracting and procurement processes including diverse financial strategies and more mature financial risk management capabilities.

A core element of effective partnership is having a funding model that supports service delivery and enables the partnership to achieve outcomes. To create a successful financial strategy, it is best to focus on covering full costs, securing revenue, and focusing on financial goals and priorities.

- 1. COVERING FULL COSTS:** When creating a funding model, the full cost of partnership must be understood and incorporated. Having a pulse on partnership costs at the outset and over time is a necessary step toward partnership sustainability. This involves CBOs

negotiating for full cost coverage, including both program costs and agency costs, for the duration of the program, from the contracting agency.

- 2. SECURING REVENUE:** Reliable revenue streams that can cover the full cost of the partnership must be negotiated. These may come from various sources including independent sources or grants, service contracts, or risk sharing/outcomes-based funding.
 - » Independent sources or grants: These can be individually secured by each partner to fund their participation, or partners can share grants that support partnership activities and services.
 - » Service contracts: These are formal agreements between partners that define the amount of support provided via a government or private fee for service contracts or insurance reimbursements. Funding will vary based on completed activities and services.
 - » Risk sharing or outcomes-based funding: This is partially or fully based on results. These contracts pay for results delivered by the CBO, rather than for defined activities, tasks, or assets.

While partnerships may rely on a combination of funding approaches, it is suggested that partnerships move toward outcomes-based contracting and procurement processes. This is defined in further detail, below.

- 3. FINANCIAL GOALS AND PRIORITIES:** Effective partnerships must be aligned on financial goals of the partnership, and understand one other’s financial priorities. CBOs should act to disrupt the cycle of public underinvestment by using sector-wide trends to tell bigger financial stories than the results presented in their quarterly reports and yearly audits.

OUTCOME-BASED PROCUREMENT CONTRACTING INFORMATION

Outcome-based contracts pay for results delivered by the CBO, rather than for defined activities, tasks, or assets. These contracts focus on the “what” or outcome of the work rather than on the “how” or manner in which work is to be performed.

Three fundamental characteristics define outcome-based procurement models including:

1. focus is on outcome rather than activities and tasks;
2. the use of measurable performance standards tied to the required outcome; and
3. a pricing model that includes rewards and risks.

There are many benefits to transitioning to outcome-based contracts including: cost savings, supporting innovation on the part of the CBO, closer alignment or objectives between customer and service provider, increased motivation for the service provider to achieve best outcomes to maximize its financial gain, more responsive to customer requirements, greater efficiency in service delivery through allowing the service provider flexibility in its method of delivery, and an ability to adapt to technological advancements and better outcomes for customers.

When drafting outcome-based contracting, a number of challenges need to be considered including: defining the desired outcome, deciding how performance will be measured, defining pricing, and describing how to share risks.

1. **DEFINING THE DESIRED OUTCOME:** A balance needs to be struck between defining the outcomes required in sufficient detail to ensure the customer’s requirements are understood and capable of being

measured, and not unduly constraining to the CBO (service provider). This can be achieved by tying outcomes to measurable data and agreeing up front how to best create a metric that indicates the outcome is being delivered. Unless the business vision for the partnership is understood, it is very difficult to articulate the outcomes that suppliers need to deliver, and can make quantifying performance measures difficult.

2. **MEASURING PERFORMANCE:** Sound performance measures are needed for successful outcome-based contracts including outcomes that are objective, measurable, clear, and realistic. Both the level of the required outcome and the related key metrics need to be considered and clearly set out. Available data will partly establish appropriate performance standards; the more comprehensive, accurate, and robust the data about performance, costs, variables factors, and barriers, the easier it will be for both parties to reach agreement on appropriate performance standards.
3. **PRICING:** Fees are not calculated on the basis of a transactional pricing model, but are tied to achievement of the agreed outcomes. There are a number of ways in which the pricing model can be structured, each designed to drive quality performance and efficiency. Pricing options include positive and negative incentives; a gainshare model; contingency arrangements; and cost-plus mechanisms.
4. **HOW TO SHARE RISK (OF SUCCESS AS WELL AS FAILURE):** Looking at how to explore sharing risk for delivering the agreed outcomes should be considered, whether by using gain/loss share, or other mechanisms and incentives, in order to drive good performance.

ADDITIONAL TOOLS TO USE IN BUILDING PARTNERSHIPS

Through the literature review a number of tools were discovered that can assist partners in defining the partnership model, assessing the partnership, articulating the value of the partnership, and defining the components of mutual accountability in partnerships.

Integrating to Improve: Partnership Models between Community-Based and Health Care Organizations

https://www.chcs.org/media/Integration-Matrix-Tool_080918.pdf

This resource reflects common approaches organizations are taking to work together to improve outcomes. It delineates broad categories of service model (partner service delivery relationship), financial relationship (flow of funds between partners), data (exchange of information between partners), partnership effects (broader impact beyond individuals served), and governance (partnership management and oversight).

Partnership Assessment Tool for Health

https://www.chcs.org/media/Partnership-Assessment-Tool-for-Health_-FINAL.pdf

This tool aims to help partnering organizations work together more effectively to maximize the impact of the partnership. The tool provides a format to understand progress toward benchmarks characteristic of effective partnerships, to identify areas for further development, and guide strategic conversation between partners.

Value Proposition Tool: Articulating Value within Community-Based and Health Care Organization Partnerships

https://www.chcs.org/media/Value-Proposition-Tool-Fillable-Form_080918.pdf

Designed for CBOs and organizations exploring new partnerships or seeking to clarify their value within a partnership, this tool helps partners clearly articulate their value within a partnership; highlight the range of ways in which CBOs and organizations can provide value to each other through partnership; assists those exploring new partnerships in determining how to align around shared goals; and informs collaborations with multiple partners in thinking through individual and shared value across the partnership.

Fair and Accountable: Partnership Principles for a Sustainable Human Services System

<https://www.wallacefoundation.org/knowledge-center/Documents/Partnership-Principles-for-a-Sustainable-Human-Services-System.pdf>

The Partnership Principles help define the components of mutual accountability between government and human service providers as well as the contracting relationship between government and human services providers, which is essential to a well-functioning human services system. The principles focus on six categories including services, providers, contract renewal, payment, reporting and monitoring, and communication and interaction.



ENVIRONMENTAL SCAN

This environmental scan includes a number of examples of partnerships between CBOs and government organizations that exemplify the literature review findings of successful partnerships and collaborations.

A limited number of MN government agencies were discovered in the literature review/environmental scan. Strategic government partnerships were frequently discussed in relation to partnerships between CBOs and health care organizations.

Workforce Development Training to College Programs

<http://www.minnstate.edu/system/asa/docs/creatingpathways.pdf>

Provides an overview of partnerships with community-based organizations. The document reviews challenges and gaps to collaborative partnerships, funding sources, partnership perspectives, and policy, practice, and communication strategies that highlight opportunities to strengthen partnerships. This program provides an example of effective collaborative partnerships with CBOs.

Northside Achievement Zone

<https://northsideachievement.org/who-we-are/our-partners/>

This is a collaborative partnership of nonprofits and schools. This example is included in the environmental scan because the partners' collaborative efforts mirror findings of the literature review. The partners focus on: shared goals; using a shared data system (NAZ Connect); using evidence-based NAZ results plans (demonstrating a commitment to outcomes-based services); the creation of action terms; and more.

Minnesota Refugee Health Program

<https://www.health.state.mn.us/communities/rih/about/program.html>

This is another example of a collaborative partnership with CBOs and is included in the environmental scan because of the illustration of literature review findings including: shared mission/mission alignment; a shared data system; defined workflow processes; and more.



The Partnership for Healthy Outcomes

https://www.chcs.org/media/CBO-HCO-Partnership-Medicaid-Fact-Sheet_102417_chcs.pdf

This is a collaborative of the Nonprofit Finance Fund, Center for Health Care Strategies, Inc. and the Alliance for Strong Families and Communities. A review was done of 200 CBO-HCO partnerships across the country. A fact sheet shares key learnings about the benefits of these partnerships and strategies that Medicaid can consider to better support these efforts. This alliance could prove to be a valuable resource in continuing to research factors related to successful partnerships.

MN Nonprofit Allies

<http://www.minnesotanonprofits.org/projects-partners/partners-and-affiliations/nonprofit-allies>

As an integral part of an active network of nonprofit support agencies, these agencies help collaborate, partner, and share information to ensure nonprofits have ample resources. There may be an opportunity to connect with others on their practices and perspectives in collaborative partnerships.

Beltrami County Strategy Aligned Management

<https://www.house.leg.state.mn.us/comm/docs/BeltramiStrategyAlignedManagement.pdf>

The County conducted a review to inform a transition to an outcomes-based approach in County government. They may have additional resources and/or insights from their experience.

Performance-Based Contracting for Human Services

https://www.cdss.ca.gov/ccr/res/pdf/performance/3.%20PBC_Does_it_Work.pdf

This article looks at the performance-based contracting activities of selected state human service agencies, Minnesota included. The authors highlight the work of the Minnesota Department of Human Services performance-based contracting for job placement services.

Minnesota Adult Basic Education

<http://www.mnabe.org/>

Another example of a collaborative ecosystem of partners. This is a state-wide system that serves 65,000 adults working toward a high school credential. It is funded by state and federal funds. The ABE consortia include public schools, CBOs, and county correctional facilities.

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