



Aggressive Business Development Strategies – Adding To The Top Line With Breakthrough Services

The Coalition for Behavioral Health Business Recovery Initiative



Wednesday, July 1, 2020

Presented by Paul M. Duck, Senior Associate, *OPEN MINDS*



The Focus Today – Aggressive Business Development Strategies – Adding To The Top Line With Breakthrough Services

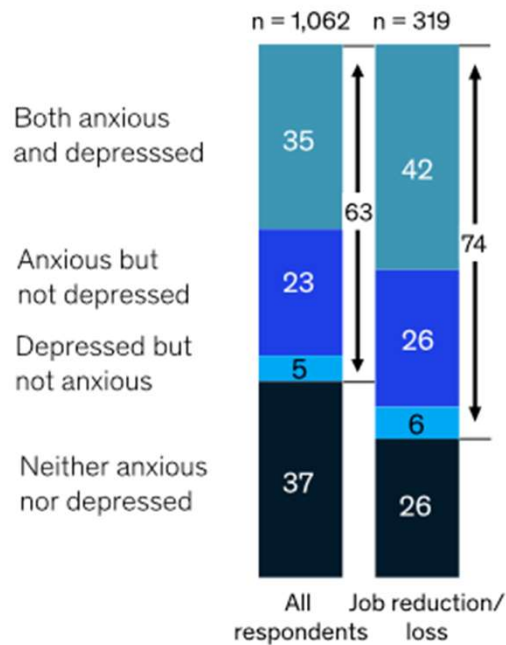
1. Responding to urgent needs in your markets
2. Repurposing and repositioning for a virtual market
3. Diversifying through geographic expansion
4. Fundraising for the short-term
5. Identifying competitor contracts “at risk”
6. Anticipating local organization ‘failures’ and the service needs created
7. Exploring avenues for government support



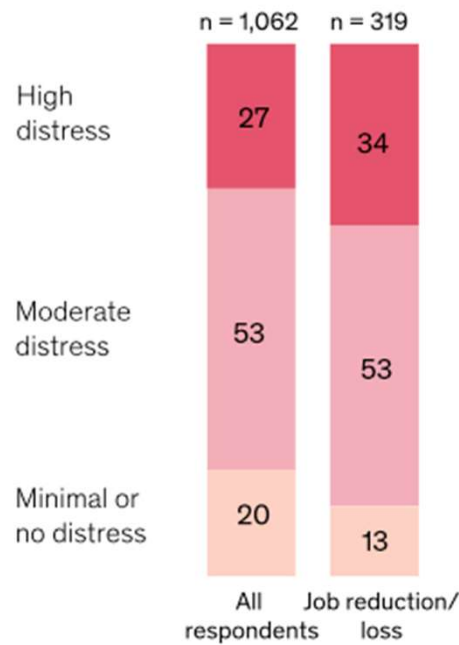
The Context

Reported Signs Of Distress Related To COVID-19 In The U.S.

Respondents reporting feeling anxious or depressed in past week
% of respondents



Respondents' reported level of distress related to COVID-19
% of respondents



Respondents' levels of reported substance use



1 out of 4 reported binge drinking* at least once in the past week



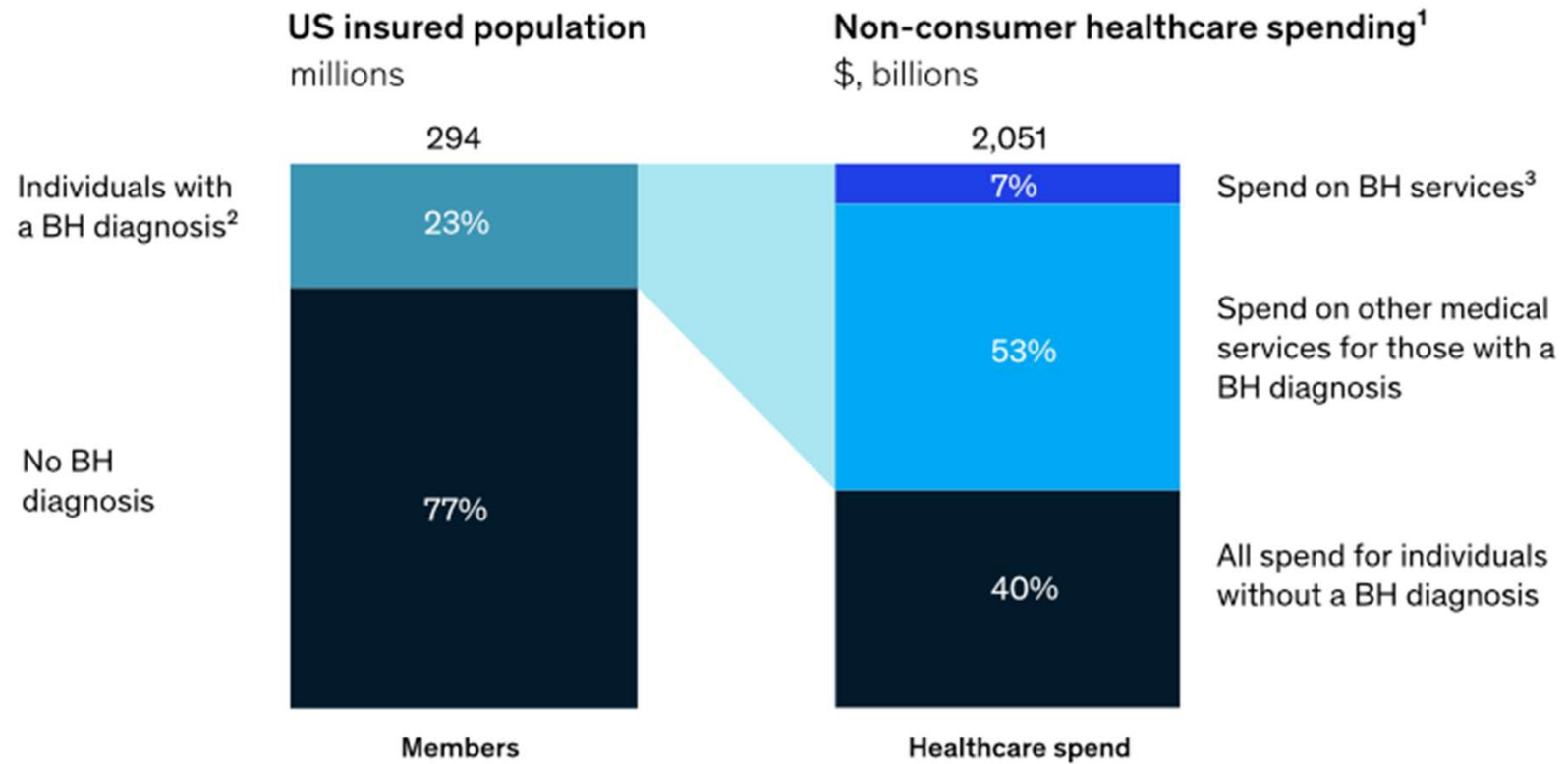
1 out of 5 reported taking prescription drugs for non-medical reasons



1 out of 7 reported using illicit drugs

* As defined by National Institute on Alcohol Abuse and Alcoholism, >=5 drinks for men and >=4 drinks for women

COVID-19 Has Amplified A Huge Problem



9 Key Pre-Pandemic Trends That Are NOT Going Away

1. Transition from fee-for-service to value-based payment and alternative payment models
2. Movement from traditional to more distributed settings (e.g. consumers' homes and workplaces), with telehealth
3. Payers/purchasers desire to identify total costs of care as a key component to understanding the value of healthcare services
4. Consumers/employers/purchasers need for greater convenience
5. Increasing use of data and analytics, and greater EHR interoperability to inform healthcare delivery at all levels
6. Precision medicine and customized care informed by data to improve care and contain costs
7. Clinical professionals taking ownership to address social and economic determinants of health
8. Integration of provider organizations and payers under new incentives to make care more affordable, efficient, cost-effective and consumer-focused
9. Up-skilling and down-skilling in the health care labor force with new technologies like artificial intelligence for clinical decision support



I. Responding To Urgent Needs In Your Markets

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Serving individuals in crisis



Addressing crisis-related needs of payers and managed care organizations

Serving Individuals In Crisis

Examples

- **Volunteer mask production**
 - North Range Behavioral Health operates a crisis center, outpatient treatment—that's been transitioned to telehealth—and detox services. When executives learned that a mask order wouldn't be fulfilled until May, they launched the Sew For Hope campaign on March 19. In three weeks, it's attracted 36 volunteers, who have produced nearly 700 masks plus gowns and headbands.
- **Curbside blood testing**
 - At Centerstone, a multi-state health and human service organization, the care team found an option for consumers in a group home who take antipsychotic meds that require blood tests for refills: curbside testing. It enables consumers to get refills without being exposed to different clinical settings.
- **Improving telehealth access and planning**
 - At Mental Health Partners, a non-profit organization that offers comprehensive mental health care and addiction treatment, the team is buying cell phones for telehealth visits and revamping the way it approaches supplies related to PPE.

Addressing Crisis-related Needs Of Payers & Managed Care Organizations

- Delivering EAP-like services to support workers at your payer and managed care organizations —they too have had to pivot to a remote work model and their staff are experiencing the same pressures as others.
- Filling the gap for access to care with virtual delivery models and the development of specialized services such as 7 and 30 follow-up after psychiatric hospitalization.
- Delivering mental health services to healthcare workers in local hospitals serving COVID-19 patients.
- Offering services to the incarcerated.

Urgent Market Response

- Connect with patients via telehealth screenings
- Proactively engage with high-risk patients
- Provide accessible digital information on a comprehensive COVID-19 policy
- Activate multiple lines of communication

Increase Outreach With Payers & Referral Sources

- Understand policy changes from payers—what they're paying for now versus pre-COVID-19
- Opportunity to collaborate—ask about their pain points
- Develop crisis referral programs—increase access, maximize your self-referral
- Increase fees, rates and services
- Innovate and prove your worth to payers and referral sources



2. Repurposing & Repositioning For A Virtual Market

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- Development of telehealth/telepsychiatry that converts ‘brick and mortar’ to online
- Virtual school-based services
- Online respite for parents
- EAP-type relief for local employers who have shifted to virtual
- Virtual hospice for those at end-of-life – especially those diagnosed with COVID-19

Example

MindPath Care Centers encourages consumers who have COVID-19 symptoms or those wanting to practice social distancing to seek out or switch to telehealth appointments instead of canceling. They also offer a virtual waiting room for “walk-in” appointments.

Strategies For Maximizing Revenue

1. Measure and reduce practice variation
2. Increase capacity
3. Focus and grow your “best consumer”
4. Maximize collections
5. Increase consumer satisfaction
6. Boost referral loyalty
7. Renegotiate payer contracts
8. Innovate around service delivery
9. Participate in regional ACOs and health system partnerships for access and ER diversion
10. Develop specialized services for certain populations

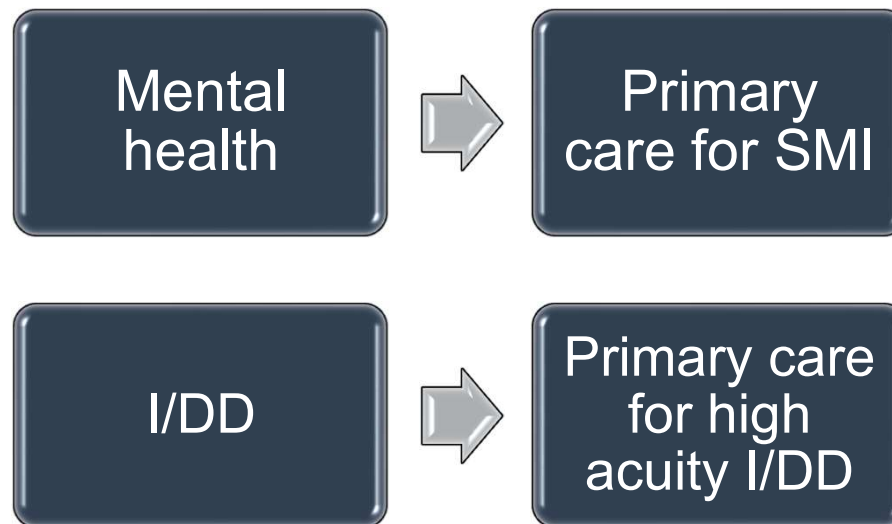
Virtual Revenue Generation Checklist

Build	Build a successful on-line presence (and strategy) by prioritizing key objectives, audiences, and channels.
Assess	Assess changes needed in web presence to support driving volume in virtual services.
Enhance	Enhance your on-line presence by improving the performance of your web site and other key digital channels (social media, online reviews, press releases/public relations, etc.).
Optimize	Optimize your on-line presence and search engine optimization (SEO) by implementing a communications approach (written voice) tailored to your priority audience.
Assure	Assure web site ADA compliance.

Service Line Adjacencies

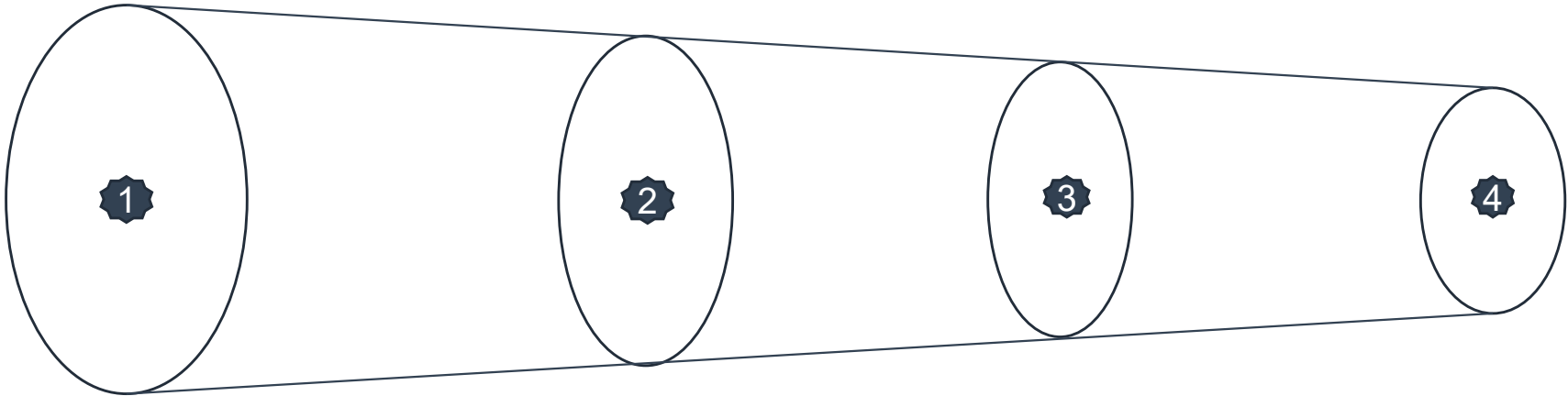
Service line adjacencies are new business areas that most often build from an organization's assets or existing services that complements the brand image.

Discover what other services your organization can deliver that complements existing modalities



Service Line Adjacency Process

- 1. Generate Long List of Adjacencies
- 2. Use Set Criteria to Narrow Down to Short List
- 3. Further Investigate 2-3 Most Promising Adjacencies
- 4. Enter Top Adjacency in Risk-Minimizing Way



Friendly Experienced Warning

- Lack of material competitive advantage in the adjacency
- Lack of alignment with existing brand and services
- Lack of material progress on adjacencies due to organizational constraints

Lessons Learned & Implications

1. Clear ongoing objectives help set expectations and financial framework
2. Real competitive advantage is a necessary ingredient for success
3. Linking agencies clearly to the existing brand is paramount
4. Smart “toe in the water” entry strategies can help mitigate inevitable risk
5. Critical to keep the agency funnel fresh
6. Organizational separation from “business as usual” activity is a final prerequisite for success



3. Diversifying Through Geographic Expansion

Geographic Expansion— Why Now?

1. The community needs are profound and growing
2. The revenue generation opportunities
3. Low competitive risk
4. ‘We know the business’
5. Leverage with payers
6. Diversification
7. Possible forging new partnerships
8. Already have support services in place
9. Hedge against retail expansion into your market(s)
10. Broader brand recognition
11. Move you closer toward a PLE or ACO

EXAMPLE

Centerstone: pivoted to offering multistate telehealth and is now delivering 12,000 visits per month—enabled through COVID-19 legislation allowing interstate delivery

Considerations For Geographic Expansion

1. Expand geography via telehealth
2. Expand where you are
3. Expand to increase access
4. Expand services where you have backlog
5. Expand services to meet payer demand for increased access
6. Expand where your barriers to entry are lower
7. Regulatory, market knowledge, referral sources, competitive services, management and oversight
8. Expand where favorable reimbursement is in place

**Most important—your decisions
must be data driven**



4. Fundraising For The Short-term

IV. Fundraising For The Short-term

Copa Health
Yesterday at 11:36 AM · 🌐

Copa Health's Behavioral Analyst, Sam Harris, is back with tips on home schooling children with special needs. Stay #CopaStrong.



YOUTUBE.COM

Advice for Home Schooling Children with Special Needs During Covid-19 by Copa Health BCBA Sam Harris

Copa Health
May 11 at 3:41 PM · 🌐

In honor of Mental Health Awareness Month and Stroke Awareness Month, Copa Health and the American Heart Association, are hosting a virtual Lunch-N-Learn next Monday. Rsvp to Jessica.Chun@copahealth.org. See you, virtually, there!

Join Us
for a Virtual Lunch-n-Learn
In Honor Of
Mental Health Awareness Month and Stroke Awareness Month
Presented By



Monday, May 18, 2020
11:45 a.m. - 1:15 p.m



RSVP To Jessica Chun @ Jessica.Chun@CopaHealth.org
Space is Limited

Henderson Behavioral Health
April 15 at 2:47 PM · 🌐

With COVID-19 disproportionately impacting South Florida's underserved, disadvantaged and marginalized communities, Henderson Behavioral Health's frontline staff are providing critical services for individuals, families and our community who need us now more than ever. Our behavioral health team continues to serve individuals in a variety of settings, in the office and the community. Using telehealth, Psychiatrists, APRNs, Therapists, and Case Managers are bringing vital mental health services and support to those we serve wherever they may be.

To ensure Henderson can continue to provide this essential care and support while keeping the safety of our patients and staff in mind; We need your help, especially as the need for services continues to increase in the weeks and months ahead.

Please show your care by making your own generous gift now to support our most urgent needs:

- Personal Protection Equipment (PPE) such as N95 masks, 3 ply surgical masks, gowns, and gloves to keep our frontline staff and the individuals we serve safe,
- Laptop computers for telehealth accessibility,
- Telehealth Licenses,
- Cleaning and sanitary supplies for our essential offices and programs that remain open, and
- Funds to keep our operations strong as we work to meet the increased needs of our community's most vulnerable individuals and families.

<https://www.hendersonbh.org/donate/online-donations/>

Please support our efforts to address the urgent needs of the thousands of people who are relying on us right now for mental health services and those who will experience increased depression and anxiety.

On behalf of those who need and deserve our help, thank you for your compassion and generosity. We stand together, and we will get through this as a community.

Stay Safe and Stay Well,
Steven Ronik, Ed.D.
CEO, Henderson Behavioral Health

Gracepoint Foundation
May 5 at 4:28 PM · 🌐

Today is #GivingTuesdayNow, which is about doing whatever you can, wherever you are, with whatever you've got. Being physically separate from each other does not mean being emotionally disconnected, mental health is so important right now.

We know you support many charitable organizations so if you have already given today, please think of us next time. We're ready to partner when you are. THANK YOU for considering making a gift to support our efforts to provide behavioral health services for those in need.

Link to support: <https://secure.qgiv.com/for/mhctdgt/mobile>

Each day the lives of children and adults are changed because they were able to have access to critical services. Your support makes that happen!



Upcoming Events



Parent Peers Empowering Parents (PPEP) Meeting

May 26 Parent Peers Empowering Parents virtual me...
Tue 6 PM CDT · Online Event
Dawn is interested

Jun 11 Managing and Adapting Practices Training
Jun 11 - Jun 12 · John A. Logan College · Carterville, IL...
You like Centerstone

Leveraging An Unexpected Opportunity

- Take advantage of this time
 - Fewer meetings, events and face-to-face donor meetings
 - Plan for new things – also plan to eliminate old programs that are not effective
- ‘The stupid idea’
 - Overzealous volunteers have ideas that may sound crazy but may work – give it a try
- A prime moment to boost your social media
- Get creative on contacts
 - Book a ‘virtual tour’ of your facility and invite donors
 - Use celebrity connections to book a private conference call with attendees about why the celebrity supports your organization
 - Try a ‘stay-at-home’ gala
- Get personal
 - Write personal notes
 - Call donors and thank them



5. Identifying Competitor Contracts “At Risk”

Identify Competitors Who Are Struggling

1. Develop a list of all competitors
2. Identify organizations that are 'at-risk'
3. Reach out to colleagues that may know leaders within those competitor organizations
4. Ask local government leaders for knowledge of struggling organizations
5. Ask payers (public and private) for ideas
6. Connect with key leaders and board members
7. Stay open to possible working relationships

Considerations & How-To

- Identify those contracts that offer a lucrative reimbursement from ‘at risk’ competitors
- Evaluate your internal capacity to take-over those services lines
- Where will you offer those services?
 - Existing location?
 - Telehealth?
 - De nova location(s)?
- Evaluate whether you have the necessary staffing to deliver on those services
- Identify targeted volume of community need for those services
- Develop pro forma for new services to determine profitability
 - Add 12% on to your expense projections
 - Be certain of your revenue projections and timing – then decrease them by 5%

Example

Problem: A local hospital who is becoming inundated with SMI in their ER

Opportunity: Depending on the volume, placing an individual in the ER to triage incoming patients to your mental health services and avoiding an admission to the hospital.

Problem: A mental health provider to a large local employer has stopped seeing patients as a result of COVID-19. The needs at the employer have increased and their employees are now being forced to travel 50 miles away to receive services.

Opportunity: Standing up a branded telemedicine/telehealth product for the employer with collaboration with any primary care and other local health care providers offering an integrated mode.



6. Anticipating Local Organization 'Failures' & The Service Needs Created

Anticipate Organizational Failures

1. Realize that the community need does not go away with a failure
2. Develop an outreach and communications plan for referral sources
3. Realize that your opportunity might be in the formation of a partnership that further integrates care delivery
4. Do not assume large organizations can't fail—there are many examples in non-pandemic times
5. Prepare for broad web and social media outreach
6. Establish relationships with media and news organizations

Considerations & How-To

- Do not buy another organization's problems
- The opportunities are best when you can clearly see synergies and/or service line adjacencies
- Not-for-profit organizations: Consider affiliations with out clauses
- Not-for-profit: Consider starting a for-profit entity that could develop JVs and raise capital with for-profit organizations
- For-profit: Consider asset purchase versus stock purchase; leave the liabilities behind where possible
- Consider organizational culture match
- Don't get caught up in 'who will be CEO' – focus on the health and wellbeing of the organization



7. Exploring Avenues For Government Support

CARES Act Provider Relief Fund

1. Congress has appropriated \$100 billion to reimburse providers for lost revenues and increased expenses due to the coronavirus pandemic
2. Funds are being distributed by the Health Resources Service Administration (HRSA) section of the US Department of Health and Human Services (HHS)
3. The funds do not need to be repaid if certain terms and conditions are met
4. Providers are receiving a portion of the funds based on their share of 2019 Medicare FFS reimbursements
5. Funds, which go to the TIN that normally receives Medicare payments, can be used for health care expenses or for lost revenues attributed to COVID-19

<https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund>

Avenues & Who To Access in Addressing Support Funding

- Check your state governor's website for up-to-date programs available in your area
 - Governors' Office Addresses and Websites: <https://www.nga.org/governors/addresses/>
- County Commissioners
- Local mayors
- Local state congressional representatives
- Local community support organizations - especially those offering grants
- United States Congressional representatives
- U.S. Small Business Administration – SBA loan and debt relief options including the Paycheck Protection Program (PPP)
- Internal Revenue Service – new credits for businesses
- Federal Communications Commission - \$200 million telehealth program
- Security and Exchange Commission – Providing temporary, conditional relief for companies to raise capital via Regulation Crowdfunding.

State Resources: Examples

California

- Through the San Francisco Hardship Emergency Loan Program (SF HELP), businesses in San Francisco are eligible for 0% interest rate loans from Main Street Launch in partnership with the City of San Francisco. Loans can be made up to \$50,000 at terms of up to six years.
- City of Los Angeles Small Business Emergency Microloan Program, businesses and microenterprises in Los Angeles that are responsible for providing low-income jobs can get an emergency microloan of \$5,000 to \$20,000. Loans with repayment terms of six months to one year carry an interest rate of 0% and five-year loans have interest rates of 3% to 5%.

Colorado

- The Denver Small Business Emergency Relief program offers cash grants of up to \$7,500 to businesses in industries particularly hard-hit by the coronavirus.

Connecticut

- Connecticut is offering a \$50 million recovery bridge loan program providing zero-interest loans of up to \$75,000 or three months of operating expenses, whichever is less.

Florida

- Under the Florida Small Business Emergency Bridge Loan Program, loans of up to \$50,000 — \$100,000 in certain special cases — are available to coronavirus-affected small businesses. The loans are meant to serve as short-term funding that can be repaid once businesses can access alternative funding. Loans are interest-free for one year; after that, the interest rate rises to 12%.

Illinois

- As part of the Chicago Small Business Resiliency Fund, starting March 31, small businesses in Chicago could apply for low-interest loans of up to \$50,000 with repayment terms of up to five years. The amount of the loan you'll qualify for depends on your revenues before business was affected by the coronavirus.

Louisiana

- Small businesses in Louisiana can apply for the Louisiana Loan Portfolio Guaranty Program. This program offers loans of up to \$100,000 per applicant at no interest and with no payments due for the first six months. After that period, interest rates will be no more than 3.5%. A total of \$50 million is available for the program.

State Resources: Examples, cont'd

New Jersey

- New Jersey is launching a \$10 million program to offer low-cost financing to New Jersey small businesses and nonprofits. The program will provide a direct loan of up to \$100,000. Payments will be deferred for 12 months.

New Mexico

- The New Mexico Recovery Fund will offer loans to companies in New Mexico affected by the COVID-19 pandemic. Loans will be based on 2019 operating expenses and won't exceed \$10 million, with a repayment term between two and four years with interest rates of 3% to 10%.

New York

- Application intake for the New York City Small Business Continuity Fund, which provided up to \$75,000 in interest-free loans from the city to cover revenue losses, has been paused. But businesses can fill out an interest form to learn about new local and state programs as they become available.

North Carolina

- North Carolina has created Rapid Recovery Loans for businesses across the state. Loans are available in amounts up to \$50,000, capped at two months of current revenue. The loans come with six months at 0% interest and no required payments, and then will be subject to four-year repayment terms at 5.5% interest.

Pennsylvania

- Pennsylvania is offering loans to small businesses through its COVID-19 Working Capital Access Program. These loans can be up to \$100,000 and have three-year terms with a 12-year amortization schedule. All loans have a 0% interest rate, except for agricultural producers, who will have a 2% fixed interest rate for the life of their loan.

Washington

- Washington State is offering small business emergency grants of up to \$10,000 through its new Working Washington Small Business Emergency Grant program.

Other Noteworthy Changes

- REMS (Risk Evaluation and Mitigation Strategy): For drugs subject to REMS with lab requirements (includes Clozapine), not completing or delay completing is subject to medical judgement
- Medicare Quality Reporting: CMS announced exceptions from reporting requirements and extensions for participating provider organizations with respect to upcoming measures reporting and data submission for those programs
- Telehealth: New CMS changes to billing for audio only – retroactive to March 1, 2020; use of codes as if they were delivered in-person

Commercial Payers

1. Aetna, National: [View general COVID guidance here](#). Aetna has approved behavioral health telemedicine services (i.e., Outpatient E/M services and psychotherapy) – including allowing some services to be provided via telephone and waiving copays. See their [letter to clinicians](#) and [information on approved behavioral health telemedicine services](#).
2. Always Health Plan: [View guidance here](#).
3. Anthem, National: [View guidance here](#).
4. Anthem Georgia: [View guidance here](#).
5. BlueCross BlueShield, National: [View guidance here](#).
6. BlueCross Arkansas: [View guidance here](#).
7. BCBS Arizona: [View guidance here](#).
8. BlueShield California: [View guidance here](#).
9. BlueCross Idaho: [View guidance here](#).
10. BlueCross Illinois: [View guidance here](#).
11. BCBS Kansas City: [View guidance here](#).
12. BCBS Louisiana: [View guidance here](#).
13. BCBS Massachusetts: [View guidance here](#).
14. BCBS Michigan: [View guidance here](#).
15. BlueCross of Minnesota: [View guidance here](#).
16. BlueCross Montana: [View guidance here](#).
17. BlueCross North Carolina: [View guidance here](#).
18. BlueCross ND: [View guidance here](#).
19. BCBS of South Carolina: [View guidance here](#).
20. BlueCross of Tennessee: [View guidance here](#).
21. Capitol Blue: [View guidance here](#).
22. CareFirst: [View guidance here](#).
23. CareOregon: [View guidance here](#).
24. Cigna: [View guidance here](#).
25. Conneticare: [View guidance here](#).
26. Excellus BlueShield: [View guidance here](#).
27. Harvard Pilgrim Health Care: [View guidance here](#).
28. HealthNet: [View guidance here](#).
29. Health New England: [View guidance here](#).
30. Highmark: [View guidance here](#).
31. Horizon: [View guidance here](#).
32. Humana: [View guidance here](#).
33. Independence Blue Cross: [View guidance here](#).
34. Magellan: [View guidance here](#).
35. Optum Behavioral Health: Optum has released their [telehealth guidance](#) to allow a range of remote services including telephone and telehealth using an expanded number of platforms.
36. Premera BlueCross: [View guidance here](#) and [view your plan information here](#).
37. Regence: [View guidance here](#).
38. Scott and White Health Plan: [View guidance here](#).
39. Tufts Health Plan: [View guidance here](#).
40. Vantage Health Plan: [View guidance here](#).
41. Wellmark Blue Cross: [View guidance here](#).



Your Organization's To-dos

The 5 Most Important To-Dos

1. Evaluate the expertise needed and hire the experience you need
Is the leadership team in-place to take you there?
2. Convert all brick-and-mortar services to a virtual offering where possible
Do you have the experience and expertise in place to select a telehealth platform and implement it with staff rapidly?
3. Ensure your online capabilities support your brand and aid in growing revenue
Does your website, consumer satisfaction ratings, consumer portal, etc., support your organization growing top-line revenue?
4. Develop specialty services to support specific populations
Do you know what specific population your organization could become a specialist and how you could approach payers and other organizations with a value-proposition?
5. Gain the market intelligence to maximize revenue generating opportunities
Do you have the market intelligence to drive the right marketing activities that will add to top-line revenue maximization?

Questions From Our Circle Members

1. Who are our competitors as we consider business development?
2. How will the trend toward virtual impact integration of primary care and behavioral health?
3. Do you foresee more federal relief funding?
4. When is a good time to start implementing business development plans?

More Resources

1. [The *OPEN MINDS* Government RFP & Contract Database](#)
2. [The *OPEN MINDS* State Profiles](#)
3. [The Amazons Of Health Care](#)
4. [The *OPEN MINDS* Executive Blueprint For Crisis Management: Building Resiliency In The Face Of Adversity](#)
5. [Finding Opportunity In Adversity: Leadership Lessons From The COVID-19 Crisis](#)
6. [The U.S. Mental Health Market: \\$225.1 Billion In Spending In 2019: An *OPEN MINDS* Market Intelligence Report](#)
7. [Looking Ahead—Addiction Treatment In The Post-Crisis Recovery](#)
8. [COVID-19 & HIPAA Bulletin: Limited Waiver Of HIPAA Sanctions & Penalties During A Nationwide Public Health Emergency](#)
9. [New Federal Coronavirus Bill Waives Medicare Telehealth Restrictions](#)
10. [During The Pandemic, States & Localities Must Decrease The Number Of Individuals In Psychiatric Hospitals, By Reducing Admissions & Accelerating Discharges](#)

Turning Market Intelligence Into Business Advantage

OPEN MINDS market intelligence and technical assistance helps over 550,000+ industry executives tackle business challenges, improve decision-making, and maximize organizational performance every day



**Business
Recovery
Initiative**



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