Leadership in an Era of Disruption

Insights from the 2013 Human Services Summit at Harvard University

Harvard University
Cambridge, Massachusetts

LEADERSHIP FOR A NETWORKED WORLD

Introduction:
The Human Services Summit

DISRUPTION. UNPLANNED DEVIATIONS. DISTURBANCES OR PROBLEMS. INTERRUPTIONS IN THE NORMAL COURSE OF ACTIVITIES. It would be hard to find a better way to describe the current human services landscape. During a period shaped by major changes in demographics, policy and technology, we have certainly found ourselves in an era of disruption.

When disruption is the new normal, what does leadership look like? Successful leaders see opportunities to respond in innovative ways, and disruption becomes a catalyst for better business models that guide individuals, families and communities to self-sufficiency.

To harness and share these lessons, Leadership for a Networked World, Accenture, the Technology and Entrepreneurship Center at Harvard and the American Public Human Services Association convened human services leaders for The 2013 Human Services Summit: Leadership in an Era of Disruption. The fourth annual Summit, held at Harvard University in Cambridge, Mass., brought together the world's premier human services practitioners, Harvard faculty, fellows, and researchers and select industry experts to explore these topics.

During the Summit leaders discussed strategies to engage stakeholders, frame issues, create new governance models and increase the pace of change and adaptation. Participants also taught each other how to use major disruptions to leverage resources, build stronger bridges across agencies and create new business models that improve services for our most vulnerable populations:

- San Diego is building a robust partnership among healthcare, human services, the private sector and community organizations to support a thriving, healthy community.
- Spain is reforming its welfare system to be more integrated, efficient, sustainable and outcomes-oriented.
- Transition to Success (TTS) and the state of Michigan are adopting a new framework to treat poverty through client-focused programs and integrated, local services.
- Colorado, Maryland and Minnesota are leveraging health care reform to improve collaboration and citizen services.

Throughout the Summit, participants developed new strategies and skills to move their human services organizations towards a generative business model – one better able to adapt organizational and technological innovations and focus on cross-agency and cross-community outcomes to address complex family problems and socioeconomic issues.

This white paper captures some of the insights, research and leadership strategies presented at the Human Services Summit to inspire other human service leaders to challenge the status quo, use disruptions as a catalyst for change and create their own productive disruptions.

Leaders from federal, state, local and non-profit human services organizations convened at Harvard University to share insights and lessons, identify best practices and define the challenges and opportunities of leading transformation during a time of disruption.

The Human Services Summit is produced in collaboration with Accenture

Table of Contents

Letter from the Executive Director

Colleagues,

Think about this: 90 percent of the Human Services Summit attendees felt that the current operating environment is the most disruptive they've seen in their entire career.

What is this "disruption" and why is it important to leaders?

Classically, disruption has been most focused on the private sector context. As factors such as emerging business models and/or technologies arise in a given market, large incumbent firms will usually ignore them, holding onto their dominant organizational strategy and market position. Simultaneously, up-and-coming firms will charge forward, cobbling together the new business models and technologies in order to chip away at the incumbent firms' market share. Over time, the incumbent firm and legacy positions give way to new models of doing business. For a private sector leader, managing disruption is a market growth-or-death proposition.

In contrast, governmental and social organizations such as human services enterprises face disruption differently. The factors of disruption usually are broader and aren't leveraged by an external firm to compete with government, but rather impact government's ability to respond to the demands of citizens and stakeholders. If a public sector leader responds poorly to disruptive factors, long-term organizational effectiveness, efficiency and return-on-taxpayer-investment will be damaged. If a leader responds well to disruption – by harnessing the factors to drive innovation and transformation – long-term capacity and outcomes improve. Thus, for a public or social sector leader, managing disruption is a public value and legitimacy proposition.

In our human services environment, disruptive forces and factors such as healthcare reform, information technology, vast quantities of data and an information-savvy customer base are driving a surge of new service demands and upending outdated human services delivery models. While disruption is bringing formidable challenges for human services leaders, it is also creating an unprecedented opportunity to deliver improved individual, family and community outcomes.

At the 2013 Human Services Summit: Leadership in an Era of Disruption, we explored the challenges and opportunities of not only leading a human services organization to a more "Generative," capacity-increasing and outcomes-focused future, but also bending cost curves lower during this critical time. I was amazed at the vigor in which this year's Summit attendees tackled this task. Disruptions create anxieties about learning new systems, doing work differently, taking on new roles and dealing with the unknown – and the Summit community not only shared creative ideas and strategies, but also rallied to help each other set actionable plans.

I would like to thank Accenture – as without their generous insights, resources, and support – this important Summit would not have been possible. I would also like to extend gratitude to the American Public Human Services Association – their subject matter knowledge and advocacy for human services provides a solid foundation for this summit and for the advancement of human services as a whole.

At the beginning of the Summit, we reflected on President Kennedy's admonition: "There are risks and costs to a program of action. But they are far less than the long-range risks and costs of comfortable inaction." By the end of the Summit, we galvanized around the idea that leading human services transformation forward is challenging, yet to achieve the outcomes society needs we must not rest on comfortable inaction – the legitimacy of our human services missions is at stake.

To that end, on behalf of the attendees and team members of the Human Services Summit, I hope this report helps you to help create a vision and plan of action you can take–individually and collaboratively–to pursue and achieve improved human services outcomes.

Sincerely,

Antonio M. Oftelie
Public Sector Innovation Fellow, Technology and Entrepreneurship Center at Harvard
Executive Director, Leadership for a Networked World

Building a Thriving Community:
The Case of Live Well, San Diego!

HOW CAN HUMAN SERVICES LEADERS USE DISRUPTIONS TO LEAD COMMUNITIES TOWARD A BETTER FUTURE? LIVE WELL, SAN DIEGO! enabled a region to come together around crises and use disturbances to spark change and innovation.

San Diego County is large, diverse and serves as a microcosm of the country as a whole. With a population of 3.2 million, now majority-minority, San Diego is the fifth largest county in the United States and has a population larger than 20 states. The County encompasses 18 incorporated cities, many unincorporated towns and 18 Indian sovereign nations. Its diverse geography ranges from the coast to the mountains to the desert, with high-rise urban neighborhoods and rural farms.

For a number of years the county's Health and Human Services Agency (HHSA) has found a way to offer services "from womb to tomb," while addressing rising healthcare costs, surging social services demands and an increasing prevalence of chronic disease. The burden is significant – the agency serves more than 750,000 people annually.

HHSA has capitalized on key milestones in the environment – from welfare reform in the 1990s to healthcare reform under the Affordable Care Act. Using four major disruptions as a catalyst, HHSA has found ways to build new governance models, engage new partners, reframe social services and use new technologies.

The first disruption began when welfare reform provided the county's leadership the impetus to create an integrated agency. This new organizational structure brought together child welfare, behavioral health, public health, aging services and others into an agency with "no wrong doors" that could help families achieve self-sufficiency.

The second wave of change took place in 2004 and 2007 when the county was confronted with serious wild fires that took lives and infrastructure. These fires presented HHSA and the rest of County government with a new set of challenges including communicating with 3 million people during a crisis and serving significantly more people immediately.

In response San Diego had to innovate, remain resilient and take advantage of new technology. By reengineering the process for web-based referrals and giving people in the field mobile devices, HHSA was able to create a Mobile Remote Workforce. These innovations allowed the county to manage the crisis and even increase productivity by 27 percent, saving more than $2 million in Medicaid expenditures. This successful response highlighted the importance of fully integrating services and prepared the agency for additional challenges that came just one year later.

"We have to look at this braided approach of safety and health in wellness. If not, we're being myopic and we won't get to our true aim."

– Nick Macchione

Nick Macchione
Director
County of San Diego (CA), Health
and Human Services Agency

The third wave of change happened in 2008 with the major economic downturn. In San Diego, HHSA began to see new faces like the assistant manager of Radio Shack who had just lost his job and was dismayed to come into a welfare office. He and his peers had a different set of expectations around customer service and would leave disappointed by a perceived lack in service offerings. It was a significant challenge: 150,000 new people enrolled in Medicare and this new population was also coming in for food assistance.

In order to serve more people and change the perception of the system in a time of constrained resources, the county had to reframe and reform its delivery of services. HHSA Director Nick Macchione captured the challenge when he told his board, "If we took our busiest highway and we just added more onramps and brought in more people, but we didn't improve the throughput of the highway, what are we going to get?" The county knew it had to embark on an innovation quest.

They began by looking at the root causes of service needs. They found that three behaviors – lack of exercise, poor nutrition, and smoking – cause four chronic conditions – cancer, cardiovascular disease, diabetes, and lung disease – that lead to more than 50 percent of the deaths in the county. The medical costs alone of chronic diseases were totaling $4 billion. The county leadership knew there had to be a different way – an Ecological Model that would focus on improving health and wellness, using the message "3-4-50" to help explain its approach.

With the goal of achieving the Triple Aim – providing better services at lower per capita cost and creating a healthier community – Live Well, San Diego! was born. This 10-year plan to repurpose County government's $5 billion annual budget and to engage community partners to help all county residents become healthy, safe, and thriving set the community on its fourth wave of change.

To achieve this new holistic goal the community had to synchronize physical health, behavioral health and social services. Different agencies began sharing data, changing their practices to focus on outcomes and holding themselves accountable for the wellness of the population. HHSA began engaging in issues like education, literacy and housing, which can develop a thriving community. The sheriff started talking about putting money into health programs and coordinating with Medi-Cal. And, new relationships developed between agencies, the provider community of more than 800 nonprofits, the private sector and other community leaders.

Through Live Well, San Diego! HHSA has reduced the maze of services and made it easier for residents to navigate the various systems. "Don," an 84-year old resident who was in and out of the hospital and wanted to spend more nights in his own bed is one resident who has benefited from these changes. The County's Aging and Independence Services partnered with a local medical center to pilot a new "wrap-around" service model that provided patients like Don and his family with a transition care nurse, a social worker and personalized web-based technology to improve the transition from the hospital to home and prevent readmissions. This new service delivery approach reduced the rate of 30-day readmissions from 12.6 percent to 2.3 percent for patients like Don and provided the model for the San Diego Care Transitions Partnership, the largest of the 100 Community-based Care Transitions Programs (CCTPs) around the country funded through the Center for Medicare and Medicaid Innovation created by the Affordable Care Act.

As another example, Live Well, San Diego! developed an innovative approach to addressing childhood obesity and low academic achievement scores. Across the county one-third of all fifth, sixth, and ninth graders are clinically obese. Recognizing the connection between strong minds and strong bodies, HHSA worked with a school district in the southern part of the county where 70 percent of children had a high Body-Mass Index. By engaging parents, the school board, teachers and students in a campaign to improve health, they have significantly reduced obesity in two years and improved the health and test scores of 800 kids.

With visionary leadership, Live Well, San Diego! has been able to engage new partners, reframe human services as a key contributor in building a healthy, safe and thriving community, create a new integrated governance model and turn a series of crises into new opportunities. As Marc Cherna of Allegheny County observed during the Summit, "This gives us all hope that we can lead this kind of transformation and make this happen. The results are phenomenal. This is something we should all emulate."

Leadership Insights:

- Don't be afraid to offer a bold, holistic goal
- Frame the goal so that it is inclusive and gains broad support
- Demonstrate your resiliency and ability to innovate during crises
- Engage a diverse group of partners in leading transformative changes

"*Smart human services organizations will look to behavioral economics as a guide and start designing programs in ways that help citizens make better decisions. The subtle aspects of this choice architecture will lead to better outcomes over time.*"

Cass Sunstein

Robert Walmsley University Professor, Harvard Law School

Catalyzing Change:
The Case of Reform in Spain

DURING THE LAST 50 YEARS, SPAIN BUILT ONE OF THE MOST SUCCESSFUL WELFARE SYSTEMS IN THE WORLD. Highly regarded by its citizens, the system offered top-quality health services, support for workers who had lost their jobs and free, compulsory education. Spain's expenditures on social policies represented more than 60 percent of total public spending and totaled more than $402 billion, with close to $200 billion in cash benefits for social security and more than $50 billion for unemployment benefits. It was described as a true safety net, protecting most in times of need.

Fast-forward to 2008 and the economic crisis. Suddenly there was a dramatic imbalance in the system. With unemployment levels around 26 percent, an aging population, greater demands on the pension system and severe banking issues, this successful model was put at risk.

Spain was in a critical situation. Public debt doubled to almost 100 percent of the GDP. Because of the debt market, there were concerns about rising interest rates. And, to further complicate matters the country had to listen to the demands of the European Union and modify a human services system managed by 17 different regional governments.

Today Spain has reformed their public sector, banking system, labor market, healthcare and pensions to ensure sustainability. The country brought its public deficit below 3 percent of the GDP and has continued to provide high quality health services to more than 40 million citizens.

So, how was a crisis averted and turned into a win? What tactics did Spain use to increase efficiencies, develop a lighter administration and reform major systems?

Antonio Nunez Martin, the Director of Social Policies at the Executive Office for the Prime Minister, attributes success to::

1. Having strong leadership with a clear vision for reform and a definite roadmap to guide the way

2. Constantly monitoring the results of reforms and adjusting policies in a rapidly changing environment

3. Using analytics and technology to evaluate public policies

4. Increasing coordination and integration across all administrative levels to reduce redundancies

The changes Spain made were widespread. First, the country focused on reforming the public sector, balancing the budget and fixing the banking system. To transform its public sector workforce, the country created a commission to improve public administration.

This commission developed strategies to restructure the public sector, reduce redundancies, simplify and integrate systems and cut administrative costs by more than $22 billion. They also passed new laws to increase transparency and efficiency by providing wider access to public data, better public expenditures accounting and an improved governance framework. At the local level they passed laws clarifying duties and responsibilities, defining structure and funding mechanisms and creating a more business-friendly environment.

In addition to changing the governance model to find cost savings, Spain balanced the budget by adjusting non-essential investments and focusing the administration's efforts on increasing national competitiveness. Moving forward, the country will stay on this path and invest in education to build a skilled workforce and enable long-term growth.

To regain international trust in its financial markets, Spain knew it had to reform its banking system. Before the economic downturn there were approximately 50 banks, now it has consolidated to about 10 resulting in more solvent banks.

In order to ensure the sustainability of the country's welfare system, Spain restructured the pension system, enacted new policies to improve the labor market and transformed the national health system.

Antonio Núñez Martín
Director of Social Policies
Executive Office of the Prime
Minister Spain

With an aging population, an increase in pensioners and very high dependency rates Spain had to make changes to the pension system. Most significantly, the country increased the retirement age to 67 and began promoting active and flexible approaches to retirement.

Given the high unemployment rate, reforming the labor market was a top priority for the Prime Minister. Spain had developed a reputation for a rigid labor market, which would have to change. The country took a more flexible approach to collective bargaining, made changes to decrease labor costs to attract business, led efforts to improve human capital and initiated an ambitious reform of unemployment benefits.

Finally, Spain transformed the funding and organization of the entire national health system. This reform created a new framework with clearer rules, better funding instruments and improved incentives for efficiency. Madrid and Castile-La Mancha, for example, became sites for an innovative public-private partnership where the public sector owns the healthcare system, but the private sector manages it. To date, the changes to the healthcare system have saved more than $21 billion.

Many of these changes did not come easily, and during this transition leaders in the country had to make some unpopular decisions. Spain increased taxes and introduced unpopular changes like a drug provision that has saved significant dollars, but disappointed a number of citizens. To minimize backlash, Spain has relied on citizen-centric technology and increased transparency to regain citizens' trust.

Spain's strong leadership, creative use of technology, willingness to adapt on the fly, and emphasis on integration and coordination have helped the country weather a very serious storm. This model for change offers another powerful example of a human services system that has found a way to turn a crisis into an opportunity.

Leadership Insights:

- Develop a clear vision for reform and a roadmap to guide the way
- Constantly monitor results and adjust policies
- Take advantage of analytics and technology to build public trust

The Human Services Value Curve

Today's turbulent environment of economic upheaval, complex social challenges and changing demographics requires human services leaders to not only help individuals in crisis, but also guide families and communities to a self-sufficient and sustainable future.

Meeting these demands requires human services organizations to improve their capacity to deliver an efficient and effective array of services over time – yielding outcomes that are valued by multiple stakeholders.

Yet what do "capacity" and "outcomes" really mean in human services? At an organizational level, it's about delivering outcomes that individuals, communities and society value. At an individual level, it means providing solutions that empower people to reach their fullest potential in an independent and sustainable way. Capacity for achieving outcomes is grown in three ways:

- First, an organization can become more efficient at delivering outcomes – i.e., it can produce more of the desired outcomes with a level or reduced amount of resources.

- Second, an organization can become more effective at attaining outcomes – i.e., it can measurably improve its ability to reach goals.

- Third, an organization can develop entirely new competencies – i.e., it can respond in new ways to create and deliver previously unattainable outcomes.

Thus, generating the capacity to reach client and family centric outcomes is the central thread to meeting demands today and in the future. But to get there, human services organizations must first improve their business models. Broadly, this is accomplished by adopting organizational and technological innovations that enable increased efficiency, effectiveness and the development of new competencies.

To help human services leaders make progress on their transformation journeys, Leadership for a Networked World researched best practices and worked with practitioners to develop a framework referred to as the "Human Services Value Curve." As a human services organization advances along the curve, the enabling business models support new horizons of outcomes. The levels are described in brief as:

- Regulative Business Model: The focus is on serving constituents who are eligible for particular services while complying with categorical policy and program regulations.
- Collaborative Business Model: The focus is on supporting constituents in receiving all the services for which they're eligible by working across agency and programmatic boundaries.
- Integrative Business Model: The focus is on addressing the root causes of client needs and problems by coordinating and integrating services at an optimum level.
- Generative Business Model: The focus is on generating healthy communities by co-creating solutions for multi-dimensional family and socioeconomic challenges and opportunities.
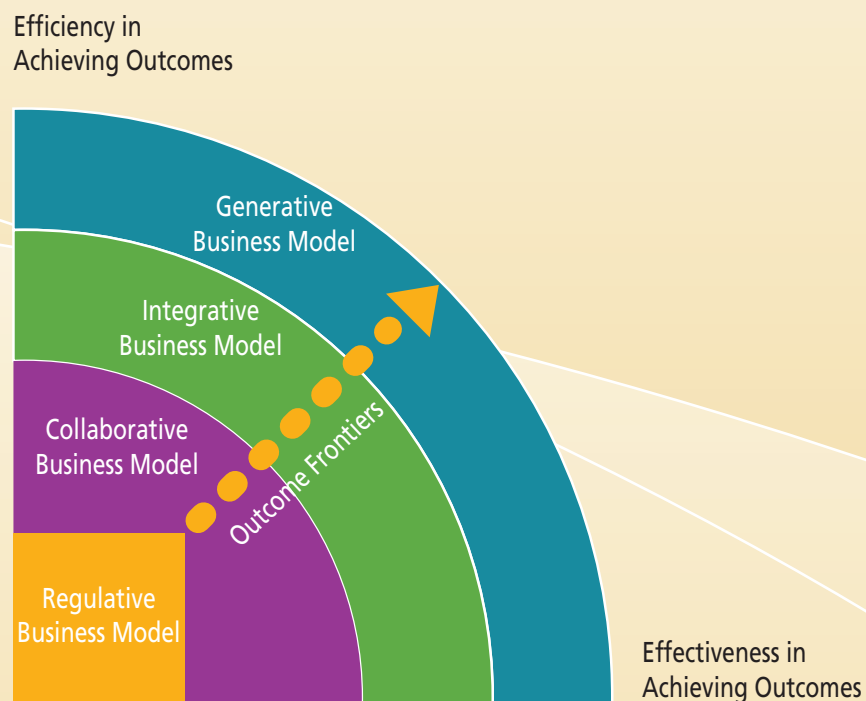
The Human Services Value Curve is not a one-size-fits-all solution, but rather a guide to help leaders envision a path for their organization. In addition, the levels of the Human Services Value Curve are fluid, meaning that you may see your organization at various levels depending on the program. In traversing the curve, a growing "outcomes-orientation" drives innovations in the organizational model (the way work is organized) and innovations in the technological model (the way work is improved through information technology). The resulting increase in capacity enables the human services organization to mature and deliver broader and more valuable outcomes.
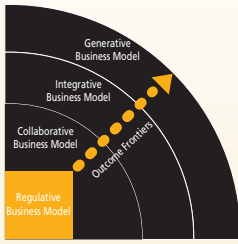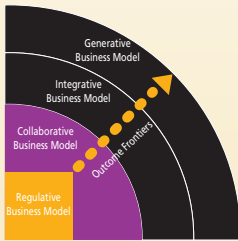
Regulative Business Model:

THIS LEVEL SERVES AS A BASELINE – ALL HUMAN SERVICES ORGANIZATIONS START HERE AND MUST MEET THIS LEVEL IN ORDER TO COMPLY WITH PROGRAM REQUIREMENTS. With this basic business model, programs and processes are developed and managed categorically and are usually aligned with discrete funding streams. Information technology and support tools are designed to support program-specific management, funding, eligibility, case management and client interactions. In practice, operating at this level enables an organization to react to crisis and respond to acute problems, which are valuable traits. Yet too much emphasis on regulative competencies will diminish the organization's ability to meet greater and more comprehensive service demands. When making the first moves beyond a Regulative Business Model, one should look to the mission of the organization and the outcomes desired from programs. Then take a portfolio view by scanning programs to assess where collaborative connections can be made.

At this level, strategic steps to move up the Human Services Value Curve include:

- Outcome Orientation: Define and extend outcome goals that cut across programs. Support this new outcome orientation by agreeing to a common taxonomy of problems and services and implementing measures for internal processes as well as client-facing impact.

- Organizational Innovation: Start reforming managerial and operating processes in order to shift the organization's employees to capacity-oriented work. The process reengineering should focus on enabling employees to orient their work around assessing and managing the impact of cross-program service delivery.

- Technological Innovation: Collaborate on program technology and tools and develop a basic plan to share more infrastructure across programs and, if possible, across organizational lines. Good places to start are on routine technologies such as document imaging, digitizing and storage, allowing employees across programs to access and update client files and enabling clients to submit basic applications for services online.
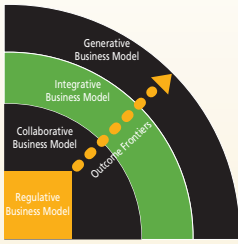

Collaborative Business Model:

AS A HUMAN SERVICES ORGANIZATION PROGRESSES TO A "COLLABORATIVE BUSINESS MODEL," THE FOCUS EXPANDS BEYOND PROGRAM "SILOS" AND CATEGORICAL MANAGEMENT to support constituents in receiving all the services for which they are eligible and helping them address immediate needs. In action, entities collaborate on some policy and programs and may have some common information and referral, intake, eligibility and team-based case planning. The technologies and tools adopted facilitate limited cross-organization information sharing and decision-making.

At this level, strategic steps to move up the Human Services Value Curve include:

- Outcome Orientation: Develop policy and program strategies across programs and drive the collection and analysis of measures and metrics deeper within organizations and across programs. A key method is to find the intersections of new value, i.e., where agencies and programs can collaborate in order to improve outcomes and create outcomes goals that include multiple programs and organizations.

- Organizational Innovation: Find ways, both procedurally and technically, to share eligibility, service delivery and case information across programs and organizations. A key goal is to allow and enable caseworkers across programs and organizations to collaborate on solutions and help clients move to self-sufficiency faster.

- Technological Innovation: Utilize technology and tools that enable decision making across organizations. In preparation for a full integration project, make small strides by adopting technologies such as digital records, enterprise content management and document storage, customer self-service modules and basic staff communication tools.
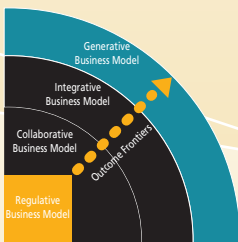
Integrative Business Model:

WITH AN "INTEGRATIVE BUSINESS MODEL," THE FOCUS BROADENS TO COMPLETE INTEGRATION OF MULTIPLE PROGRAMS AND SERVICES IN ORDER TO IMPROVE CUSTOMER SERVICE, INCREASE PARTICIPATION AND SUPPORT DATA-DRIVEN POLICY AND DECISION MAKING. Strategically and operationally, the enterprise addresses family centric outcomes through seamless, cross-boundary collaboration. Information technologies support enterprise-wide back-office processes, as well as front-office innovations such as individualized client services focused on self-sufficiency, improved health outcomes and social inclusion.

At this level, strategic steps to move up the Human Services Value Curve include:

- Outcome Orientation: Formulate a human services model that connects desired outcomes to overall community priorities and expand the focus to include cross-agency outcomes, metrics and real-time situational awareness.

- Organizational Innovation: Develop governance structures and business processes that focus on and support cross-agency outcome goals and implement a performance management system to drive change deeper into agencies and wider into programs.

- Technological Innovation: Implement an integrated, single-view system for case management across programs and organizations and enable coordinated agency processes through multiple access channels for customers and an enterprise-wide view for caseworkers. Strive for a system that provides client service information and pre-screening, application filing, client intake, needs assessment and referral, eligibility determination and benefit processing, case maintenance, reporting, performance monitoring and outcome tracking.

Generative Business Model:

AT THIS LEVEL, THE FOCUS OF THE HUMAN SERVICES ORGANIZATION EXPANDS TO ADDRESS MULTI-DIMENSIONAL FAMILY PROBLEMS, SOCIOECONOMIC ISSUES AND OPPORTUNITIES REQUIRED TO GENERATE LONG-TERM INDIVIDUAL AND COMMUNITY SUCCESS. The foundation of a Generative human services system and its broad outcomes orientation is the deep and wide use of cross-boundary data and information. In action, the culture, managerial and operational processes and technology of the organization will likely be adaptive and modular, allowing multiple programs and institutions to build, share and deploy information and services on an ongoing and evolving basis. Additionally, social networks and advanced information analytics will help organizations synthesize information and trends across the ecosystem of organizations, jurisdictions and communities in order to become predictive in nature – enabling co-creation of policy and modification of programs in response to real-time conditions.

At this level, strategic steps to move up the Human Services Value Curve include:

- Outcome Orientation: Establish a broad "system view" for outcomes that is cross-agency and cross-community and leverage this new posture to eliminate agency vertical silos and replace them with horizontal, cross-boundary services. Foster an adaptive organizational culture that can anticipate changing community and client circumstances and shift priorities to maximize outcome achievement.

- Organizational Innovation: Synthesize information enterprise-wide to support predictive analysis and policy and program innovation. Establish methods to look at the current data stream your organization produces and identify the patterns in the community of people you serve. Assess if these information patterns inform new ways (perhaps as a pilot project) to structure programs, processes and rules so that outcome-oriented innovation becomes the norm.

- Technological Innovation: Extend the integrated-view system to all stakeholders and enable real-time transparency and tracking of outcome metrics – such as service loads, expenditures and other key public data points. Start utilizing social media and communication tools to co-create solutions with the community and analyze the feedback and communication you receive to see if there are opportunities for improving programs and services.

What's clear throughout the Human Services Value Curve is the relentless pursuit of business models that have a family-centric mission, that work across organizational boundaries to align goals and that pursue a laser-like focus on outcomes.

Reframing Poverty:
Transition to Success

IT BEGAN WITH A BOLD VISION. MATRIX HUMAN SERVICES, A NON-PROFIT HUMAN SERVICES PROVIDER LED BY DR. MARCELLA WILSON, SET OUT TO CREATE AND IMPLEMENT A NATIONAL MODEL OF CARE WITHOUT NEW LEGISLATION OR POLICY CHANGE. This model would be scalable, sustainable, measurable and integrated into existing funding streams across various silos. It would unite systems and provide holistic services that would help clients achieve self-sufficiency.

Where better to put a program to the test than the economically challenged city of Detroit? With more than 67 percent of kids living in poverty, Motor City couldn't afford to keep running the same old drills. Non-profits fighting over limited funds, unclear measurements of success and a lack of best practices hadn't yet broken the cycle of poverty and instability.

Plus, Michigan was ready for change. Gov. Rick Snyder had a bold vision. Committed to helping every person find a pathway to their fullest potential, his team implemented the "Pathways to Potential" business model in 131 schools across the state. The Department of Human Services (DHS) would go where clients were located and focus on 1) breaking the cycle of generational poverty, 2) improving school attendance, 3) improving safety, 4) enhancing educational outcomes, 5) building healthier communities, and 6) helping people move to self-sufficiency.

Addressing poverty could not be accomplished by one programmatic intervention. Resources had to be leveraged and integrated in creative ways to help vulnerable citizens see a new role for themselves with improved health and economic self-sufficiency.

Matrix Human Services' program Transition To Success (TTS) would play an integral role in this new model. The program began by changing the framework for understanding poverty as a treatable condition. Like alcoholism or obesity, they approached poverty as a disease – one that decreases the cognitive development of children, increases mental health issues and produces developmental delays and hospitalizations. Like a disease, poverty is treatable and needs to be addressed

Sheryl Thompson
Deputy Director, Michigan
Department of Human Services

"It's a community model, so the community has to be involved. The community has to be engaged. It cannot be a cookie-cutter approach"

– Sheryl Thompson

using a system of care based on research. Recognizing this TTS integrated four primary therapeutic interventions identified in the research: comprehensive care management, volunteerism, life coaching and financial literacy.

TTS trained providers to incorporate comprehensive care management with direct care professionals across health, faith-based, education, government and human services agencies to coordinate existing, already funded services into logical step by step processes creating a CARE (Coordinating all Resources Effectively) plan. With assistance, clients created a "Map of My Dreams" including volunteerism and financial literacy. Peer mentors and human services professionals then supported clients' execution of their Map.

Using a "train the trainer" model, TTS began to expand, providing curriculums and tools to train others and measure results. As Wilson explains, "TTS is a new business model. It is not about any single organization, it's about a tapestry. We train trainers, providing them with curriculum and tools to train others and measure results and create their own social enterprise."

The results speak for themselves. Ninety percent of TTS children have increased their grades and 100 percent are up-to-date on immunizations and hearing and vision screenings. Clients have increased their household income by an average of 85 percent and experienced substantial increases in credit scores.

The TTS training tools and CARE plan have also become an integral part of the governor's broader initiative. Like TTS, Michigan's new client-centered human services model is holistic and integrates public programs, private partners and informal networks. It also takes the services to where people need them.

For example, DHS has partnered in opening 21 "Community Schools" in Detroit and looking to open more across the state. These schools are open 12 hours a day, 7 days a week, to offer citizens success coaches and agency staff providing assistance with academics, health, social services, community development and community engagement. The state's economic development corporation, department of community health, department of education, community ventures and Matrix TTS have all been key partners in this effort.

In Detroit and across Michigan, human services leaders have dealt with the poverty crisis by creating their own productive disruptions. Starting with a bold vision, they were willing to reframe poverty, breakdown silos and initiate a new way of doing business that brought services where people need them and created a coordinated system that was easier to navigate.

Marcella Wilson
President & CEO
Matrix Human Services

"The non-profit community is more than just transactional providers of a plethora of programs and services under contracts with others; we are agents of transformational change within the community, with a larger responsibility than just delivering on contracts"

– Marcella Wilson

Leadership Insights:

- Challenge your assumptions and frameworks
- Develop meaningful community partnerships to drive change
- Build new models that are scalable, sustainable and measurable

Leveraging the ACA for Transformation

THE AFFORDABLE CARE ACT (ACA) IS MORE THAN JUST A PROGRAM OR A SET OF NEW REGULATIONS, MANDATES AND SUBSIDIES. It has ambitious goals to dramatically increase access to healthcare, moderate costs and ensure quality service across the country. The ACA is intended to create an entirely new framework that will change the country's healthcare landscape around coverage, costs and care. It is expected to alter the way the federal government, state governments, health insurance providers, healthcare providers, employers and citizens interact.

The ACA has strong advocates and passionate resisters. The politics, the scale, the intersecting systems and the change inherent in creating a new framework all make this challenging to implement.

How are states and localities responding to this major disruption? What's happening in the early stages as states charge ahead to build health insurance exchanges that will allow individuals and small businesses to easily compare health insurance plans based on price and quality? What unexpected changes are taking place as a result of this major disruption?

The Human Services Summit explored case studies in three jurisdictions where leaders have found ways to use the ACA implementation as a catalyst for change. Colorado, Minnesota and Montgomery County in Maryland are all leveraging the ACA to bring together the two worlds of health and human services, serve more people and refine their business models.

Integrating Services

In Montgomery County integrating services is essential. Once a wealthy community in the suburbs of Washington, the county has now become a largely minority county dealing with higher levels of poverty. In the past four years, just as budgets have been reduced, Montgomery County has seen a 166 percent increase in the food stamp caseload, some 49,000 students become eligible for free lunches and a jump to more than 110,000 uninsured residents.

In 2012 this county of more than one million residents served about 120,000 unique households, and a third of those households used more than two services such as mental health, substance abuse, homelessness or domestic violence programs. It was difficult and dispiriting for clients to navigate the unruly system of supports. As Uma Ahluwalia, Director of the county's Department of Health and Human Services shared, "Our clients shouldn't have to tell their story six times just to get in the door, each time have to say why they're poor, the number of children they have, that they're experiencing domestic violence... It's cruel and inhumane."

For several years, Montgomery County has been focused on making access to essential services easier for residents. The county has modernized their technology in order to improve service integration and they are working towards a single system that will determine eligibility not just for Medicaid and qualified health plans, but also for child care, mental health services, homeless services, food and nutrition services, employment and training and more.

Increasing Capacity

Minnesota has also focused on advancing new opportunities for states under the ACA. Like Montgomery County, Minnesota is using the ACA to integrate systems. The state is now creating a single eligibility system for multiple health and human services programs and blending eligibility and case management. In addition, Minnesota is using the ACA as a tool to expand capacity.

As the only state to implement the "big three" components of health insurance expansion - expanding Medicaid, providing a state-run healthcare exchange, and signing up for the basic health plan - Minnesota has made great progress. Participating in the basic health plan will also help Minnesota expand healthcare services to more residents. As part of the ACA, the federal government has allowed states to opt into this program, which will use federal tax money to pay 95 percent of the costs of providing affordable health insurance subsidies for working poor adults whose annual wages are 138 percent to 200 percent of the federal poverty level. With a similar Minnesota Care Program already underway, getting federal dollars to support the program makes sense. The state will be able to use money they were already spending on the Minnesota Care Program to offer additional services to more citizens.

Despite some early technological glitches, Minnesota's healthcare exchange, "MNsure," is now operational and more than 100,000 Minnesotans have successfully enrolled in new health insurance plans.

Improving Business Models

Along with changes in integration and capacity, healthcare reform has provided a powerful impetus for improving underlying business models. Colorado offers a particularly strong example.

Unlike Minnesota, Colorado started with a complex organizational structure that didn't naturally align with the ACA. Their Department of Human Services includes almost everything related to health and human services except Medicaid and public health, which fall within two different state agencies. As a state-supervised, county -administered system, 64 county agencies are responsible for determining eligibility for Medicaid. Further complicating matters, the state has one legacy electronic management system – Colorado Benefit Management System – that has never worked right and another online application portal called Peak.

Given this complex legacy system, Colorado decided to respond to healthcare reform by creating a private non-profit called Connect Health for Colorado – with a government-appointed board – to create the health insurance exchange. This new organization has been nimble in navigating multiple systems and has been successful in getting the exchange up and running. In fact, since October 1, 2013, more than 26,000 Coloradoans have been approved for Medicaid. Moving forward, the state now has a new system that can drive change quickly and work across agencies and departments.

Looking ahead, Colorado is developing strategies to continue modifying business models and processes to maximize the benefits of healthcare finance reform. The state's Medicaid and Public Health agencies are focused on four primary areas:

1. Analyzing the services Medicaid will pay for that are currently being covered by other resources

2. Ensuring that partners have the right processes and mechanisms in place to identify citizens who would benefit from enrolling in Medicaid or a private insurance program for the first time

Reggie Bicha
Executive Director, Colorado
Department of Human Services

Uma Ahluwalia
Director, Montogomery County
Department of Health and
Human Services

3. Making sure partners have processes in place to consistently bill their services to Medicaid, even if it's easier and slightly more remunerative to get funding from other sources such as substance abuse block grants or child welfare funding

4. Making strategic decisions about how resources can be reallocated and repurposed to improve the state's programs for young children, vulnerable seniors and citizens with mental illness and substance abuse

By examining the processes and mechanisms, Colorado will be able to make new strategic investments in health and human services that will benefit a greater number of citizens. Similarly, Minnesota and Montgomery County are looking to the future and beginning to lead systems changes that will ultimately improve services and produce more sustainable models.

Montgomery County is exploring how they will alter their billing and analytics and help the county integrate electronic records into their case management system. They are shifting the focus of some of their services to promote healthy behaviors, particularly for people who have never had health insurance before. And they're assessing their infrastructure to make sure they can deliver on promises.

Minnesota has been mindful of the sustainability of their system as it undergoes dramatic expansion. This has prompted the state to begin using payment reforms to encourage delivery system changes. For example, the state has allowed providers to sign-up to share cost savings if they are able to provide services that meet required outcomes for less money. This new approach has helped to improve efficiencies, while still ensuring a certain level of care. Ultimately, it will help to create more sustainable business models.

Beyond building health exchanges, Montgomery County, Minnesota and Colorado offer strong examples of how to bring together health and human services and design more sustainable, client-centered business models while reallocating resources to best serve vulnerable populations.

Cindy Jesson
Commissioner, Minnesota
Department of Human Services

Leadership Insights:

- Use disruptions and change to re-imagine and redesign processes and organizations
- Find creative ways to simplify systems and streamline access for citizens
- Look for new opportunities and technologies to integrate processes and systems.

"As leaders bringing a new operating model forward, you have to be vigilant about driving alignment across the enterprise — the programs, processes and people — and most importantly — imbedding supporting values into the culture."

David Ager
Senior Fellow, Harvard Business School

A Note from the American Public Human Services Association

THE AMERICAN PUBLIC HUMAN SERVICES ASSOCIATION HELD ITS YEARLY COMMISSIONERS' RETREAT AT HARVARD ON OCTOBER 25, 2013, PRECEDING THE 2013 HUMAN SERVICES SUMMIT. The retreat's focus was implementation of APHSA's Pathways vision amid continuing policy and funding uncertainties. Pathways explains why the current human service system is unsustainable and promotes transformation into an integrated, person-centric and outcomes-focused system. It also provides proposals for policymakers and guidance tools for administrators at http://www.aphsa.org/content/APHSA/en/pathways.html on the APHSA website.

Retreat discussion launched with a compelling study of the 16-day government shutdown that ended the week before. The commissioners examined the shutdown and its implications for human services, and reviewed strategies for proactive planning and future action steps. They concluded future shutdowns must be anticipated like natural disasters, requiring preparedness planning and pre-established alternative plans for delivery of critical services and benefits.

Administrators then turned to the implementation of Pathways and how it's helping drive the transformation of human services. Numerous initiatives are underway in state and local agencies including: cross-agency streamlined procurement reform; advances in online applications and common access portals; joint education/human service records, including predictive analytics for child welfare services; joint human service/behavioral health work in child welfare; coordinated case management and braided funding for children involved with multiple agencies; county agencies rapidly adopting the value curve for management initiatives and several instances in which the transformation vision is helping to "change fidelity to the profession to fidelity to the cause."

APHSA staff updated commissioners on internal changes to align with Pathways, led by an overhauled website and associated advances in communication strategies such as increased use of social media and staff reorganization to focus more on integrated initiatives rather than siloed programs.

The CEOs then moved to discussion of another major Pathways initiative, an effort during 2014 to launch a variety of human service program and funding demonstration initiatives. This work will proceed along two tracks. The first involves working with federal agencies through expanded waivers or other special authority. The second utilizes new partnerships or alternative funding sources that do not require any change in federal policy. The commissioners provided a number of suggestions, including pursuit of current federal innovation opportunities such as the State Innovation Models (SIMs) under the Affordable Care Act.

We wrapped up the day with breakout discussions of state and local leaders followed by a conversation with HHS Acting Assistant Secretary Mark Greenberg, who leads the Administration for Children and Families.

We invite comments and questions about any of APHSA's activities and initiatives. Please contact Tracy Wareing at (202) 682-0100 ext. 231 or tracy.wareing@aphsa.org, or Larry Goolsby at (202) 682-0100 ext. 239 or larry.goolsby@aphsa.org.

As submitted by the American Public Human Services Association

Summary

Human services providers around the country are operating during a particularly turbulent period. Changes in the economy, demographics, technology, legislation and more have forced leaders to adapt and innovate. In the face of major disruptions, they have had to be creative, resilient and collaborative to continue providing essential services to our country's most vulnerable populations.

To help human services providers use these significant disruptions as a catalyst for positive change, Leadership for a Networked World, the Technology and Entrepreneurship Center at Harvard, Accenture and the American Public Health Services Association convened the 2013 Human Services Summit at Harvard University.

Summit participants offered strategies for creating catalytic change, redesigning systems and developing new frameworks to understand our most pressing challenges. The case sessions inspired participants to develop bold, holistic goals, engage new partners, take advantage of data and technology, build new governance models and find new opportunities to integrate processes and systems.

Most importantly, the Summit validated the importance of leading innovation and change in the face of serious disruption so that human services systems can continue to build healthier, safer, thriving communities.

Acknowledgments and Credits

Lauretta Converse, Rhode Island

Kimberlee Cornett, The Kresge Foundation

Steven Costantino, Rhode Island, Executive Office of Health and Human Services

Susan Dreyfus, Alliance for Children and Families & Families International

Paul Fleissner, Olmsted County

Jerry Friedman, Accenture

Rick Friedman, APHSA

Erin Frisch, Michigan, Department of Human Services

Denise Gallop, Hampton County, Department of Human Services

Linda Gibbs, City of New York

Gary Glickman, US Department of the Treasury

Larry Goolsby, APHSA

Jim Gorman, Centers for Medicare and Medicaid Services

Mark Greenberg, Administration for Children and Families, HHS

Kelly Harder, Dakota County

Jane Hardwick, Dodge County Human Services & Southeast MN Human Services Delivery Authority

Nikki Hatch, Colorado, Department of Human Services

Raquel Hatter, Tennessee, Department of Human Services

David Heimbecker, South Coast Educational Collaborative

Sherri Heller, County of Sacramento

Howard Hendrick, Accenture, Health & Public Service, North America

Jennifer Hewitt, Massachusetts, Executive Office of Health and Human Services

Jay Himmelstein, University of Massachusetts Medical School

Lauren Hirshon, Leadership for a Networked World and Fels Institute of Government

Julie Howell, County of San Diego, Health and Human Services Agency

Jan-Erik Hunn, Accenture

Kate Janeski, NYC Department of Small Business Services

Cindy Jesson, Minnesota, Department of Human Services

Lynn Johnson, Jefferson County Human Services

Bob Jones, Education and Workforce Policy

Betsy Jones, King County, Executive Office

Melissa Kanaya, APHSA

Ellen Katz, The Children's Home of Cincinnati

Sebastian Lagana, Technology Business Research, Inc.

Megan Lape, APHSA

Jeffrey Liebman, Harvard Kennedy School

Anita Light, APHSA

Will Lightbourne, California, Department of Social Services

Trey Long, Washington, DC Department of Human Services

Nick Macchione, County of San Diego, Health and Human Services Agency

Jim Mason, Beech Acres Parenting Center

Ben Maxwell, Tennessee, Department of Human Services

Margaret McDuff, Family Service of Rhode Island

Kevin McGuire, Westchester County Department of Social Services

Debora Morris, Accenture

Stephanie Muth, Texas, Health and Human Services Commission

Elena Nicolella, Rhode Island, Executive Office of Health and Human Services

Antonio Nœ–ez Mart'n, Executive Office of the Prime Minister

Antonio Oftelie, Leadership for a Networked World and TECH

Corbin Petro, Massachusetts, Executive Office of Health and Human Services

John Polanowicz, Massachusetts, Executive Office of Health & Human Services

Phil Poley, Accenture

Adrienne Quinn, King County Department of Community & Human Services

Doug Racine, Vermont Agency of Human Services

Hosted By

The Technology and Entrepreneurship Center at Harvard (TECH) convened the 2013 Human Services Summit as a component of the Innovation Fellows program and the Public Sector Innovation Award. TECH, part of the Harvard School of Engineering and Applied Sciences, is both a real and virtual space for students, faculty, alumni, and industry leaders to learn together, collaborate and innovate. TECH enables this holistic exploration by sponsoring and supporting opportunities for the innovation community to gather and exchange knowledge via courses, study groups, mentorship relationships, innovation programs and special events. For more information on TECH visit www.tech.seas.harvard.edu.

Developed By:

Leadership for a Networked World (LNW) developed the 2013 Human Services Summit. Founded in 1987 at the John F. Kennedy School of Government at Harvard University, LNW is now a think-tank that works with the Technology and Entrepreneurship Center at Harvard and academic institutions globally to provide uniquely powerful leadership summits and transformation programs. Since 1987, LNW (E-government Executive Education - "3E," prior to 2005) has conducted more than 200 learning events and gathered more than 12,000 alumni globally.
To learn more about LNW programs visit www.lnwprogram.org.

In Collaboration With:

Accenture is a global management consulting, technology services and outsourcing company, with more than 281,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. Our health and human services professionals combine proven solutions, innovative technologies and delivery excellence to help agencies put families first. For in-depth Human Services Summit presentations, videos and resources, visit www.accenture.com/integratedservicedelivery.

In Partnership With:

American Public Human Services Association (APHSA) is a bipartisan, nonprofit organization representing appointed state and local health and human service agency commissioners as well as their key program managers throughout the nation. APHSA develops and provides policy insight, knowledge transfer, best practices, networking and advocacy. APHSA is committed to carrying out our work through strong connections and partnerships among the many areas of government and the broader community that affect the well-being of our citizens. Learn more at www.aphsa.org.

www.lnwprogram.org