PHI's Pathways to Independence System:

Enterprise Scaling and Best Practice Replication: *Summary Narrative*

I. Introduction

In our 20-year history, *PHI* (Paraprofessional Healthcare Institute) and our *Pathways to Independence* enterprise affiliates have provided more than 7,000 South Bronx residents with high-quality home health aide employment opportunities, and directly provided quality care for tens of thousands of low-income elders and people living with disabilities. In so doing, we have learned a wide range of valuable lessons on best practices that strengthen the safety net of poor communities.

We have, in turn, disseminated our learning throughout the country, to improve the quality of employment for low-income individuals and the quality and efficiency of care for low-income elders and people with disabilities. At present, PHI has the capacity to concurrently disseminate our best practices to 30 providers of eldercare/disability services across the U.S.; this includes our *Partnership Initiative* program, through which we pursue ongoing, in-depth practice and policy work with leading care providers.

Support from the Growth Philanthropy Network would allow us to strengthen both the direct impact of our *Pathways to Independence* system, and our work to disseminate elements of its model to dozens of other provider organizations nationwide.

Concept: Nationally known for our *quality care through quality jobs* strategy, PHI—a national nonprofit 501(c)(3) organization with an annual budget of approximately $8 million—now seeks strategic philanthropic investment over the next three years, to guide and support a two-fold initiative:

1) **Enterprise scaling:** Philanthropic support will help us to expand dramatically our *Pathways to Independence* home care-based system of low-income workforce development and care coordination in New York City.

2) **Best practice replication:** With increased investment, we can also help a growing number of policymakers and long-term care employers to leverage lessons and

successful practices from PHI's work with our Pathways affiliates—strengthening direct-care jobs, and improving the quality and efficiency of care.

The beneficiaries of our enterprise system are:

- **Low-income elders, and adults with physical disabilities,** who require at least 120 days annually of personal care services in their homes.

- **Low-income women of color, seeking employment** as home health aides in the four boroughs of the Bronx, Manhattan, Brooklyn and Queens.

Context: Over the past year, PHI and our affiliates have worked together to re-shape New York State's long-term care public policy. Building on 25 years of practical industry experience—combined with our policy and advocacy expertise—we issued a *Reform Blueprint* that fundamentally influenced Gov. Cuomo's strategy to re-structure the state's Medicaid-funded home- and community-based service system.

The resulting New York State budget, which was passed and signed into law in April 2011, has already begun to forge the most dramatic transformation of the Medicaid service delivery system in the state's history.

Today, based on New York State's Medicaid policy shift toward Managed Long-Term Care (MLTC) plans, PHI's *Pathways to Independence* system has the potential to expand significantly—to *triple* in scale over the next three years to become a $400M care coordination model. We therefore seek support to help PHI maximize the benefits of this expansion for frail elders, people with disabilities, and low-income workers—both by scaling our enterprise, and by expanding a range of best practice replication efforts throughout the country.

II. Enterprise Scaling: PHI's Pathways to Independence System

PHI's work is anchored in **New York City**, where we sponsor a service network that provides high-quality home care for thousands of elders and people with disabilities.

What We Hope to Achieve: The expansion of PHI's *Pathways to Independence* within New York's historic Medicaid long-term care reform initiative will result in the following outcomes—if well-resourced, carefully planned and creatively implemented:

- **Independence Care System (ICS):** ICS, a $100 million nonprofit managed care program based in Manhattan, currently serves 2,400 low-income individuals in the Bronx, Manhattan and Brooklyn. Nearly all ICS members are adults living with physical disabilities; 250 members are age 65 or older. By the end of 2014,

ICS expects to serve **5,000 or more members** in those three boroughs plus Queens.

In that expansion, ICS will continue to build upon its unique expertise serving **adults with physical disabilities,** remaining the "plan of choice" for most all those with physical disabilities who will be served by the expanded MLTC system—particularly those wishing to hire their own aides. In addition, ICS will extend its focus to include frail elders.

- **Cooperative Home Care Associates:** With more than 2000 staff, the South Bronx home care agency CHCA is the largest worker cooperative in the country. Currently, Cooperative employs 1,920 home care workers—approximately 70 percent Latina and 30 percent African American—and annually enrolls more than 400 individuals in its employer-based training program.[1] By the end of 2014, CHCA expects to grow to at least 2,800 **home health aides**, and enroll more than 600 individuals annually.[2]

PHI convenes this *Pathways to Independence* enterprise-based system. Our role focuses on improving the quality of the employment and health care services the system provides for thousands of people each year, as well as disseminating its lessons learned and best practices to other stakeholders throughout the country. Underlying the common philosophy of all three organizations is the premise that the *quality of care* for elders and individuals with disabilities is directly linked to the *quality of jobs* for direct-care staff.

To foster enterprise scaling, PHI will leverage new philanthropic resources to play the development, coordination and integration roles for the growth of *Pathways to Independence*. This will include resource development; deepening PHI's organizational and training assistance to each of the partnering organizations; curriculum writing; framing of learning and evaluation; communications; and promoting the policy implications of the system's growth. For this last effort, we provide additional context in the attached "Pathways New York and National Policy Context."

As the primary payor within the *Pathways* system, as well as the center of care coordination, ICS will be the focal point for a "learning collaborative," enabling

[1] An attached *Third-Party Quantitative Outcomes Evaluation*, conducted by Philliber Research Associates, compares the outcomes of our home care worker training and employment program to those of 47 other job-training programs funded by Robin Hood Foundation in 2009. CHCA ranks above average among its peer training programs in six out of seven categories.

[2] In Philadelphia, PHI also founded **Home Care Associates**, a 200-employee, worker-owned home care agency and training program that replicates the Cooperative Home Care Associates model.

dissemination of best practices for care management. CHCA will remain the system's primary provider of paraprofessional home health aide services, and thus will be the center of employment and training opportunities for thousands of home health aides within *Pathways*.

To support their expansion, the *Pathways* affiliated agencies are currently paying PHI more than $600,000 annually in fee-for-service income out of their own operating budgets. However, additional philanthropic support will help us to maintain fidelity to a high road program model while scaling, and to disseminate outcomes and learning from this once-in-an-organization's lifetime opportunity to scale.

III. Best Practice Replication: Quality Care through Quality Jobs

The current system of eldercare/disability service delivery in the United States is fundamentally unstable, and driven far more by financial demands than human values. The prevailing "business model"—low investment in staff, leading to high turnover, leading to low quality of care—wastes precious resources, both capital and human. We believe it will soon prove unable to bear the crush of demand from an ever-increasing number of elders and people with disabilities.

In response, PHI has worked to articulate a positive vision of relationship-centered care, one which we have branded as *Quality Care through Quality Jobs*. While a positive vision, it is also fundamentally a "disruptive" school of thought that inverts the current business model—requiring instead an up-front and on-going investment in frontline workers, resulting in greater stability and higher quality of staff, which in turn delivers higher quality care and greater efficiencies:

High investment → Low Turnover → Highly Quality/Efficiency

PHI understands that eldercare/disability services in the United States exist within a jumble of *systems*—differing from program to program and from state to state—sometimes overlapping and sometimes quite distinct. What these systems share, however, are two determinative structural elements (finance and service delivery) and a set of four key stakeholders (consumer groups, organized labor, provider agencies, and government policymakers/agencies).

Our responsibility is to understand these key stakeholders—their values, their priorities, their roles within the system—as well as *how* these stakeholders then interact with each other to shape both finance and service delivery design, to identify the most effective points of leverage. The better we understand these, the better we can then wield a coordinated array of policy/advocacy, evaluation, practice, and communication

tools, applying each and all in whatever combinations are necessary to create fundamental "systemic change." That is to say, rather than attempting to replicate our Pathways model in its entirety within distinct systems across the country, we replicate specific best practices from our successful model, and identify contexts and organizations to implement one or more of these practices to drive *systemic change.*

Within the eldercare/disability services universe, systemic change is that which:

- Fundamentally alters **policies/laws/regulations** within governments, s**tructures/procedures** within organizations, or individual **perspective/beliefs**;
- Leading to a consistent and lasting **change of behavior**; which, in turn
- Results in **higher quality service**s and supports for consumers, **higher quality jobs** for workers, **better value** for employers, and/or **greater efficiencies** for government.

To define and measure those improvements, PHI has identified "nine essential elements of a quality job" and "nine essential elements of quality care, services, and support" (please see attached). Every program and initiative that PHI undertakes is intended to improve one or more element within those two essential constructs.

Systemic change need not be system-wide, and PHI can effect change in a variety of ways. For example:

- Pennsylvania re-designs its direct-care training standards, encouraging a system of portable credentials for direct-care workers that is recognized across the long-term care service spectrum.
- Nurses who practice the PHI Coaching Approach fundamentally re-frame how they understand their supervisory role and, thus, change their behavior—from a sole emphasis on clinical tasks based on a punitive style, toward a relational perspective that helps their staff solve problems collaboratively and communicate well with residents and their family members.
- CHCA and its labor union, SEIU 1199, develop a model Labor Management Committee dedicated to fostering a relationship-based resident and worker environment.
- Several of eight current PHI "Partner Organization providers—high-quality employers within their respective industries of home and residential care—restructure their management systems, based on cross-functional "leadership teams" that include and thus empower direct-care staff.

- The Federal Centers for Medicare and Medicaid Services (CMS) gives guidance to state Medicaid offices on how to define, monitor, and collect data on the millions of direct-care workers funded by the states.

IV. Best Practice Replication: Core Elements

PHI maintains three service departments that form the core of our best practice replication efforts:

Workforce and Curriculum Development: For employers and programs that train direct-care workers and consumers, PHI authors curricula, designs training programs, and provides train-the-trainer services—all delivered within the intersection of a low-wage workforce serving an increasingly self-directed health care consumer. PHI's educational pedagogy is: *competency-based* (designed around what the individual is expected to know and do); *adult learner-centered* (building upon what the individual already knows and is capable of doing); and contextualized within a *relationship-centered* environment (acknowledging that caring, stable relationships between consumers and workers are essential).

Coaching and Consulting Services: PHI employs a skill-based *Coaching Approach* – pioneered within our Pathways system – to create *relationship-centered* services within eldercare/disability service organizations. Most in our field offer prescriptions for how to change organizational cultures and practices; in contrast, we help organizations to build the universal skills that are essential for staff at all levels to implement relationship-centered caregiving organizations. We focus particularly on building core communications and problem-solving skills that support positive relationships among co-workers, and between caregivers and those whom they support.

Policy: PHI has developed a unique policy capacity—ranging from research and analysis to policy development—*within an advocacy frame*. Stated another way, PHI offers "expertise with a point of view." That expertise includes: direct-care worker compensation and training systems; service delivery program design and procurement policies; and workforce assessment and monitoring—all of which support quality and efficiency. Our capacity is anchored in a specific understanding of the sizeable and rapidly expanding direct-care workforce within the eldercare/disability services industry, as well as the significant impact these jobs have on both our local labor markets and our economy as a whole.

The work of these departments is supported by a dedicated **Communications Team**, which produces a broad range of policy and practice publications, and leads PHI's engagement with the press and other external media sources.

This team also maintains our web-based portals (based at www.phinational.org) and produces several e-newsletters. These field-building services are provided free of charge to practitioners, advocates, policymakers, researchers, and the media; they are intended as public resources that report not just on PHI's activities, but on many other direct-care issues and initiatives that align within PHI's *quality care through quality jobs* school of thought.

Finally, PHI's program efforts are supported by a centralized operations capacity (total FTEs 4.65), including finance, HR, and IT, with full virtual access capabilities for regional staff. PHI's currently development staff capacity is 3 FTE, and these staff also play a role in supporting fundraising efforts for CHCA.

V. Best Practice Replication: Highlights of Recent PHI Achievements

1) PHI is playing a significant role in the **Personal and Home Care Aide State Training Program (PHCAST**), a three-year, $15 million demonstration program created by the Affordable Care Act. PHCAST is enabling six states to strengthen their personal and home care aide workforces, through developing core competencies, curricula, and training and certification programs. PHI helped to inform the national design of PHCAST, and subsequently obtained contractual technical assistance roles to aid PHCAST grantees in California, Michigan, Massachusetts, and North Carolina. The program has broad implications for improving training and certification in our field, as well as the quality of care received by consumers.

2) In fall 2010, PHI completed the **Center for Coaching Supervision and Leadership (CCSL)**, a four-year, $4.7 million *quasi-experimental study* supported by The Atlantic Philanthropies and the John A. Hartford Foundation. Through CCSL, we field-tested PHI's *Coaching Approach to Communication*℠, a signature training designed to build communications and problem-solving skills. The project entailed preparing trainers at 30 eldercare/disability organizations across 14 states; these trainers went on to teach Coaching skills to more than 2,000 nurses and other supervisors of direct-care workers.[3]

3) For the past several years, PHI has advocated for revising the *companionship exemption* of the **Fair Labor Standards Act**, which denies the vast majority of home care workers the basic federal wage and hour protections extended to virtually all other workers. Our work has included launching a social media campaign to call attention to this issue, and

[3] Testing the effectiveness of PHI's training and organizational development interventions, the mixed-method evaluation showed improved job satisfaction and efficiencies, and included: pre/post job satisfaction surveys; interviews with executive leaders and trainers; and focus group discussions.

helping to inform a series of *New York Times* editorials in support of revising the exemption. These efforts by PHI, and similar work by allied organizations, have recently achieved considerable success; in December 2011, the U.S. Department of Labor (DOL) formally proposed its revisions to the companionship exemption.[4] If the DOL's proposed changes go forward, home care workers will for the first time receive federal minimum wage and overtime protections, and be paid for travel time between clients. We describe this effort in additional detail in the attached "Best Practice Replication: Example of Policy Impact."

VI. Best Practice Replication

A. PHI's Work with Leading Providers and National Partnerships

Together, our New York and regional offices promote a national model of improved service delivery for older adults and people with disabilities, based on improving training and job quality for direct-care workers.

With support from our core funders, PHI has built the capacity and momentum to disseminate our practices to more than 30 providers concurrently; please find attached a list of providers we have worked with in the past year. As detailed in the attachment, each of these providers has implemented at least one of the best practices identified through the work of our New York-based system. Investment through the Growth Philanthropy Network will allow us to expand the concurrent number of organizations working to implement one or more of our practices over the next three years, by a conservative estimate of 10 each year—to 40 in 2012, 50 in 2013, and 60 in 2014. Depending on the availability of resources, we will also explore expanding further our Partnership Initiative based work, through in-depth work with additional long-term care provider organizations.

GPN support will also help PHI to deepen its national partnerships. For example, PHI is working under contract with NCB Capital Impact to support its convening of the **Green House Project,** by authoring a toolkit to help long-term care employers align their older residential "legacy" facilities with implementation of their new Green House "small home" sites. NCB Capital Impact and PHI are now seeking shared funding over a two-and-half-year period to test a set of written and on-site assessment and technical

[4] Notably, the DOL's published notice of proposed rulemaking cited PHI's research more than 40 times. Our contributions to the process included publishing a report, *Caring in America*, in response to DOL inquiries about compensation for this workforce. Other key organizations involved in advocacy to revise the companionship exemption include National Employment Law Project, the Direct Care Alliance, SEIU, AFSCME, the Caring Across Generations campaign, and the Eldercare Workforce Alliance.

assistance services, designed to apply core Green House principles (and as many practices as possible) within the constraints of a legacy site's physical, organizational, and financial structure. Additional investment will enable this approach to be piloted at multiple sites. In our work thus far, PHI has provided training to 40 supervisors at Green House, who manage in total about 800 direct-care staff.

B. Online Training

As another element of PHI's scaling plans, we are working to develop an *online training system*, specially designed to provide direct-care workers with the skills essential to delivering person-centered care.

We envision that one strong initial target market for this training product will be employers seeking to fulfill in-service training requirements. While this online curriculum is not intended to replace in-person PHI training services, it will be used as a means to broaden our reach by providing a low cost, widely available introduction to our core skills curriculum. The foundational skills emphasized in PHI's trainings—problem solving and communication—will help differentiate the product from the clinically oriented trainings available from other vendors.

To date, we have completed a prototype online training module, based on the *PHI Coaching Approach to Communication* curriculum. For this effort, we partnered with Enspire Learning (www.enspire.com), an Austin, Texas-based company that specializes in online instructional design. We then pilot-tested the demonstration module with direct-care staff at four sites: Partners Home Care in Boston, MA, NewBridge on the Charles in Dedham, MA, Cooperative Home Care Associates, and Isabella Geriatric Center in New York City. Surveyed afterward, participants across all sites gave exceptionally positive responses.[5]

PHI is now working with the ICA Group to analyze the market in depth, based on extensive survey work—with responses from more than 430 nursing homes, and phone surveys completed by 30 home care agencies.[6] Based on this research, the ICA Group recently completed a draft business plan for developing PHI's online training capacity. One key finding is that, within our field, growth in the online training market is being driven both by employment increases *and* increased interest in this method for delivering training, in a variety of settings.

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[5] For example, 93 percent of respondents reported consistently enjoying the training, while nearly 99 percent anticipated applying the Coaching Approach skills in their daily work.

[6] Additional market segments being explored include trade associations, providers, and other actors in secondary markets (including assisted living, private duty, home care and hospice, and group homes).

The analysis has thus far offered us a sense that PHI's training would be of significantly higher quality than others in the field, and that, because more training for direct-care workers will be conducted online moving forward, it makes strong strategic sense for PHI to establish training expertise in this area. We expects to request funding from several foundation sources on this effort; additional GPN investment will help to make possible the development of additional online training modules—entering the market with at least the first four modules of our core skills curriculum.

C. Policy Collaborations

PHI will also continue to expand the impact of its policy collaborations. As one example, this past year, PHI joined the Leadership Team of the national *Caring Across Generations* campaign. This multi-stakeholder initiative is working "to transform long-term care in the United States," focused on addressing the needs of health care workers, consumers, and families; PHI is contributing to both training and policy efforts.[7]

In our policy work in this area, With the National Employment Law Project, PHI is leading a workgroup tasked with developing a national policy platform for Caring Across Generations and its related campaign, *Five Fingers of a Caring Hand*. PHI's deliverables will include research, analysis, coordination with other stakeholder groups, and assistance in framing policy solutions. We will collaborate with our campaign partners to raise public awareness of the critical stakes for the direct-care workforce and those they serve. We will also participate in developing plans for state advocacy efforts, as well as initiatives targeting federal regulatory reforms. Strengthening PHI's funding base would help us to strengthen our policy collaborations across the field.

Risk, Timing, and Resources for scaling and replication efforts: The capacity to grow and the rate of growth for our enterprise scaling and best practice replication initiatives will be determined by both the timing of the opportunities offered by the basic markets for our services, and the availability of capital for PHI and our affiliates to pursue these opportunities. Thank you for considering this summary.

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[7] Please see: http://caringacrossgenerations.org