The 2015 Human Services Summit:

Emergent Leadership – Turning Ideas into Outcomes

Harvard University, Cambridge, Mass.
October 23 - 25, 2015

LEADERSHIP FOR A NETWORKED WORLD

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Emergent Leadership – Turning Ideas into Outcomes

Realizing the potential of emerging ideas has always been difficult. Even for path-breaking innovations with transformative potential, the road to implementation can be slippery and filled with potholes, twists and turns, and dead-ends. It begs the question: *"How can leaders actually implement emerging ideas to realize improved capacity and outcomes?"*

This question of how to achieve the potential of new ideas and business models is critically important in human services, given the powerful emergence of innovations such as Pay-for-Success and Social Impact financing, collective impact strategies, executive functioning science, evidence-based service design, two-generation interventions, and many more capacity-building and outcome-driving ideas.

Yet as leaders embrace the potential of emerging human services innovations, they come face-to-face with established institutional structures, legacy processes and systems, silo-based funding patterns, and calcified ways of measuring outcomes that raise formidable barriers to progress. To overcome these daunting barriers, human services leaders will need to excel in areas such as:

- Setting a strategy that drives innovation forward while safeguarding current capacity.
- Aligning new measures and outcome goals across programs, organizations, and sectors.
- Crafting non-traditional alliances that enable sharing of data, resources, and accountability.
- Pacing the organizational change and adaptation necessary for sustainable progress.

To help human services leaders acquire these skills and strategies, the Technology and Entrepreneurship Center at Harvard, Leadership for a Networked World and Accenture, in collaboration with the American Public Human Services Association, convened senior leaders for ***The 2015 Human Services Summit: Emergent Leadership – Turning Ideas into Outcomes.***

This sixth annual Summit, held from October 23-25, 2015, at Harvard University in Cambridge, Massachusetts, provided an unparalleled opportunity to learn from and network with the world's foremost human services practitioners, Harvard faculty and researchers, and select industry experts. Participants left the Summit prepared to deliver new levels of outcomes and impact for society, communities, families, and individuals.

This report synthesizes the key findings from the Summit. In particular, it features "on-ramps" for scaling the Human Services Value Curve and a series of case studies highlighting the progress and challenges of three agencies at varying stages of reform:

- In 2011, Four Oaks—a non-profit child welfare, juvenile justice, and behavioral health agency in Iowa—launched TotalChild, a program that has helped to integrate the organization's services, enabled the agency to engage an array of community stakeholders and funders, and above all helped Four Oaks realize its mission of "assur[ing] that children become successful adults."
- In 2015, the State of Michigan merged the Departments of Community Health and Human Services as part of an effort to integrate the state's service delivery system, free social workers from administrative burdens to focus on working with clients, and ensure that the state's human services focus on peoples' holistic needs.
- In 2012, the State of Missouri introduced its Health Homes Initiative, a program that created a place where high-need Medicaid recipients could receive coordinated care from an integrated team of medical, behavioral, and related social services specialists, which resulted in $59 million in savings, reduced blood pressure and cholesterol in beneficiaries, and decreased hospital admissions and emergency room visits.

We hope this report offers new ideas, strategies, and insights to help human services leaders realize the potential of emerging innovations and advance along the Human Services Value Curve.

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The 2015 Human Services Summit report is dedicated to the memory of Jerry Friedman.

Loving Husband and Father

Passionate Change Agent

Visionary Leader

Relentless Advocate

Insightful Colleague

Loyal Friend

Contents

Letter from the Executive Director

Colleagues,

Why do some organizations adapt and thrive in the face of change, while others calcify and wither?

The question has long perplexed institutional scholars and leaders. Organizational ecologists point to a Darwinian selection process in which organizations that adapt secure the most resources. Institutional theorists posit that environmental pressures force organizations to morph structures and practices. And managerial theorists argue that leaders' actions determine success or failure in adaptation.

Regardless of what drives an organization's adaptability, today's level of disruption (new organizing methods that supplant older models) and convergence (social, technological, and economic trends that co-evolve and upend organizational value propositions) demand a response from human services leaders.

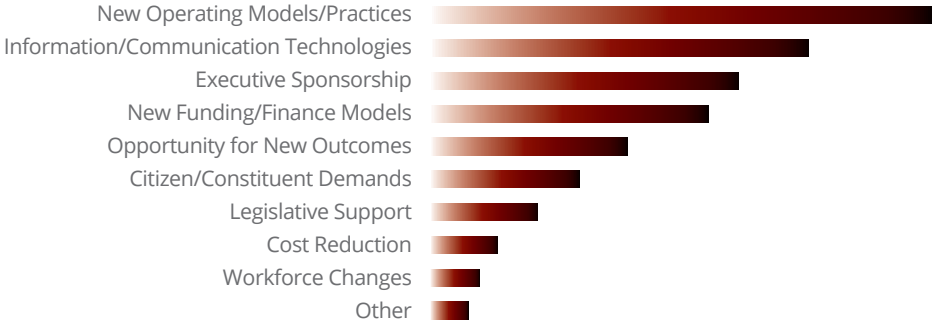
What, if anything, can human services leaders do to help their organizations innovate and adapt?

First, leaders must embrace the potential emerging from disruption and convergence. Advances in data and analytics, digitally enabled business models, brain science informed service design, two-generation practice models, and other reforms are contributing to new levels of organizational capacity and outcomes.

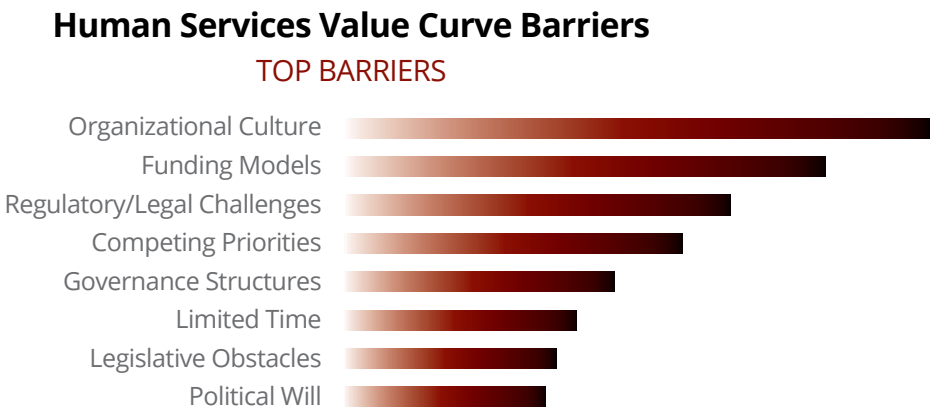
Attendees at this year's Summit grasped this. They ranked new operating models – driven by information and communication technologies, data and analytics, and network-enabled business models – as a primary enabler of innovation and transformation.

Human Services Value Curve Enablers

TOP ENABLERS



Second, leaders must brace for the challenge of moving forward. Human services organizations are not designed to shift forms or services rapidly; as democratic institutions they are built with structures, systems, and oversight that place a premium on predictability, accountability, and transparency. Over time, organizational design and culture meld and spawn path dependencies and inertia that inhibit adaptation. Summit attendees identified organizational culture as the top barrier to adopting new business and operating models.



Third, leaders must enact sound strategies for moving up the Human Services Value Curve. This includes reorganizing, redesigning, and in some cases completely reinventing their organization. To facilitate this process, the Summit focused on the principles of *Emergent Leadership – the practice of adapting an organization's value proposition, structures, systems, and human capital to emerging business models.*

While every case is different, leaders that help their organizations adapt excel at three primary strategies:

1. Scoping the Future: Responding to changes in the operating environment and emerging business models is a process, not a single event. Hence, leaders continually scan across traditional boundaries to identify innovations, assess how those innovations can be combined to impact their organizational value proposition, and form a transformation plan. New business and practice models rarely come in the guise of a silver bullet or pre-packaged solution. Rather, high-impact innovations emerge from the intersection of existing concepts. For example, social impact bonds form from the convergence of capital, social investment, and analytics. By themselves, none of these is a novel approach, but together they can be combined into a new solution.
2. Pacing Innovation: New business models and ways of organizing work need not only "runway" to take off and land but also "protection" from the incumbent organization. This often means that a new business model needs to be launched outside the formal organization until it can be developed, tested, refined, and moved inside. As an example, when the State of Ohio redesigned its health and human services system, state leaders established the Office of Health Transformation to engage stakeholders, design new solutions, and partner with agencies and counties to roll-out the new model. Pacing innovation may range from a simple pilot program to establishing a formal innovation hub to in some cases designing a completely new organization.
3. Infusing Capacity: Once a new business model or innovation is fully vetted and absorbed into the formal organization, adept leaders focus on how to leverage it for new capabilities in structures, systems, processes, and other areas that impact the organization's potential to produce outcomes. For instance, New York City established the Mayor's Office of Data and Analytics (MODA) to harness emerging capabilities in data-driven services. As MODA officials improved their use of analytics, they embedded new practices and capabilities in city agencies, resulting in an array of innovations in citywide services. Over time, infusing capacity creates a virtuous cycle, improving an organization's agility and ability to adapt.

Throughout the adaptation cycle, leaders must engage people and stakeholders (for more on Adaptive Leadership see page 21) to create a vision for the future, let go of past models of working, understand new roles, and gain new competencies. Leaders must move the organization, people, and stakeholders through a major change in purpose and identity.

The disruption, convergence, and overall turbulence in the human services world will likely be the new normal, and adaptation will be key for meeting societal demands. Exemplary leaders will embrace what emerges and forge a path to the future.

All the best,

Dr. Antonio M. Oftelie

Executive Director, Leadership for a Networked World
Public Sector Innovation Fellow, Technology and Entrepreneurship Center at Harvard
John A. Paulson School of Engineering and Applied Sciences

"We cannot afford not to be coordinated. We're all being pushed to focus on outcomes, and outcomes are inherently across systems. We have to collaborate with one another if we're going to move those outcomes."

– Maria Cancian

Deputy Assistant Secretary for Policy, Administration for Children and Families

U.S. Department of Health & Human Services

The Human Services Value Curve – A Framework

As in previous Summits, participants this year charted their transformation journey along the Human Services Value Curve, a framework for improved outcomes, value, and legitimacy. As leaders guide their enterprise up the Value Curve, the enabling business models support new outcome frontiers and greater organizational capacity.

The Value Curve comprises four levels of increasing value. Each level represents a different business model, characterized by the organizational focus guiding service-delivery.

- **Regulative Business Model:** This model focuses on serving constituents who are eligible for particular services while complying with categorical policy and program regulations.
- **Collaborative Business Model:** This model focuses on supporting constituents in receiving all the services for which they're eligible by working across agency and programmatic boundaries.
- **Integrative Business Model:** This model focuses on addressing the root causes of client needs and problems by coordinating and integrating services at an optimal level.
- **Generative Business Model:** This model focuses on generating healthy communities by co-creating solutions for meeting family and socioeconomic challenges, and for leveraging related opportunities.

The Human Services Value Curve is not a one-size-fits-all solution, but rather a guide to help leaders envision an evolutionary path. An organization that traverses the Value Curve becomes increasingly oriented toward outcomes, driving innovations that change both operational structure (the way work is organized) and technological structure (how information technology is used and implemented). The resulting capacity increases enable broader and more valuable impacts.

Building on several years of transformation already guided by the Value Curve, several Summit participants discussed how leaders can use the framework to realize the potential of emergent ideas and achieve greater capacity and outcomes.

To learn about about the Human Services Value Curve, please visit
lnwprogram.org/hsvc

"The Human Services Value Curve has been that ideal framework that has allowed us to engage in a dialogue with the individuals who consume our services, who fund our services as taxpayers, and who also hold us accountable."

– Kelly Harder

Director of Community Services, Dakota County, Minnesota

Expect Success:

Four Oaks' TotalChild Program

In 2007, the Board of Directors at Four Oaks—a non-profit child welfare, juvenile justice, and behavioral health agency in Iowa—was excited and concerned. [1] Founded in 1973 to serve ten children in Cedar Rapids, a city in eastern Iowa, by 2007 the agency was enjoying a decade in which its budget nearly doubled, and it was serving almost 14,000 clients in more than a dozen cities across the state. [2] Nevertheless, the Board was troubled by something more foundational: it had no way of knowing whether the organization was fulfilling its mission of "assur[ing] that children become successful adults." [3]

"These [were] stretch objectives, but it's really important because that's why we're in this business."

– Anne Gruenewald
President and CEO, Four Oaks

The problem was rooted in the agency's approach. Four Oaks was a "single-service" organization focused on how its interventions affected specific conditions (e.g., whether a child had housing) in the short-term. In order to effect more far-reaching change, Four Oaks needed to become a multi-service agency that understood the interaction among its programs and evaluated whether they collectively contributed to a child's long-term self-sufficiency. "Our theory of change was really regulatory," said Anne Gruenewald, then the Executive Director and now the President and CEO of Four Oaks. "We really realized…that we were going to have to make the shift to…holding ourselves accountable for the long-term results." [4]

In other words, Four Oaks had been employing a siloed business model that isolated its programs and processes. Under this approach, it could respond to episodic incidents and satisfy the demands of funders focused on isolated outcomes. However, the organization aspired to integrate those programs so that it could respond to clients' comprehensive needs; produce more sophisticated, data-driven analyses that attracted new financing; and create an environment in which stakeholders would share data and ideas and the organization would embrace a more nimble, modular culture—facilitating novel and deeper impact. Simply

1 "What We Do," Four Oaks, 2015, available at http://www.fouroaks.org/Content/What-We-Do.aspx (accessed on November 24, 2015).

2 Alex Neuhoff and Andrew Belton, "Putting Clients at the Center: Planning Guide for Multi-Service Organizations," The Bridgespan Group, December 2012, available at http://www.bridgespan.org/getattachment/99b5d5ba-9f84-4c5d-8e91-b91ae9bb60ea/Putting-Clients-at-the-Center-A-Planning-Guide-for.aspx (accessed on November 24, 2015).

3 "Mission," Four Oaks, 2015, available at http://www.fouroaks.org/Content/Who-We-Are/Mission.aspx (accessed on November 24, 2015).

4 Anne Gruenewald, "Emergent Leadership – Moving Ideas To Outcomes," presentation at 2015 Human Services Summit, Harvard University, Cambridge, MA, October 25, 2015.

put, the board wanted to progress along the Human Services Value Curve and (at a minimum) create an integrative business model and ideally move toward a generative approach.

To guide its pursuit of this objective, the board settled on a simple but powerful vision: "Expect success." [5] It also introduced plans for TotalChild, a new program, which would monitor children's progress through their 18th birthdays. TotalChild would provide holistic, integrated services in four core areas: youth, community, family, and school. To outside observers, the plan was well thought out. "When I think about the methods used to create the new strategy," said Alex Neuhoff, a partner in The Bridgespan Group, which published a study on TotalChild, "it was…figuring out the point of arrival, contrasting that with where they are today, and then creating the sort of specific plan to get them from today to the point of the arrival." [6]

Nonetheless, actually implementing the plan created numerous challenges. Among them: How would the organization orient and equip the staff? Could Four Oaks cultivate support from community stakeholders and funders? Most fundamentally, would TotalChild serve as a catalyst to propel the organization forward, or would the weight of reform drag the entire organization down?

"What really drove the change for us was taking a look internally and saying, 'What are we really achieving, and are we OK with that?'"

– Anne Gruenewald
President and CEO, Four Oaks

Preparing the Organization for Change: 2008 – 2010

One of the first steps for implementing TotalChild was identifying someone to spearhead the initiative. Jim Ernst, then the agency's CEO, chose Gruenewald, a Four Oaks staff member since 1981 then serving as the agency's executive director. She would take on the newly created post of Chief Strategy Officer, and her primary responsibility would be getting TotalChild off of the ground. "A planning effort of this kind essentially means that…you will question every aspect of the way your organization has been operating," Ernst later said of the decision to tap Gruenewald for the post, "And without someone looking out for the initiative overall, we wouldn't have gained any traction." [7]

Gruenewald and her teams—which included a steering committee, leadership committees, and task teams focused on specific issues (e.g., administration, technology, and finance)—then sought to revamp the agency's staffing model and evaluative approach. This included creating a new position, a success manager, who would use a "stability matrix" to track each client's progress in the agency's core programs until his/her 18th birthday. The success manager would also be responsible for ensuring that programs across the organization were in dialogue with one another. Fostering this collaboration was imperative, Ernst explained, because the agency was "operat[ing] in silos administratively as well as programmatically. People were not necessarily aware of what was going on across the street." [8]

As Four Oaks introduced success managers, Gruenewald saw that the new team members were getting spread thin and in some instances struggling to find their voice in the existing supervisory structure. [9] Even so, she and her team pressed ahead with the plan, buoyed by the belief that the potential benefit of far-reaching reform outweighed the internal friction it might produce. "What really drove the change for us," Gruenewald said, "was taking a look internally and saying, 'What are we really achieving, and are we okay with that?'"

5 "Mission," Four Oaks.

6 Qtd. in Gruenewald, "Emergent Leadership…."

7 Neuhoff and Belton, "Putting Clients at the Center."

8 Ibid.

9 Ibid.

Launching the Pilot and Building Relationships: 2011 – 2014

In July 2011, Gruenewald and her team launched a pilot of TotalChild serving 300 children in Cedar Rapids. [10] The pilot cost approximately $2 million; this was roughly 6.5 percent of the agency's operating budget at a time when non-profits across the country were reeling from the effects of the Great Recession. [11] Four Oaks financed the project through its strategic reserve and only planned to reach out to funders to expand the initiative if it proved successful.

Although Four Oaks was not seeking new donations, senior staff kept the agency's supporters abreast of progress. In 2012, when they added to the pilot an effort to acquire and rehabilitate 100 houses in Wellington Heights, one of Cedar Rapids' poorest neighborhoods, they wanted to connect with a range of community stakeholders. To that end, Four Oaks introduced a neighborhood engagement leader who was responsible for liaising with the police, neighborhood associations, and other community groups. The agency also devoted a substantial amount of leader "time [to] partnering with the city, the county, the council, the neighborhood association, and community and business leaders."

"A planning effort of this kind essentially means that at some point, you will question every aspect of the way your organization has been operating."

– Jim Ernst
former CEO, Four Oaks

This incremental approach to cultivating support paid dividends. In his 2013 Condition of the City Address, Cedar Rapids' mayor lauded the TotalChild program and Wellington Heights initiative as forces that "will have great rewards well into the future for…the whole city of Cedar Rapids." At the same time, prospective funders expressed enthusiasm about the program, which had helped 96 percent of participants achieve stability and resulted in the refurbishment of 58 properties in Wellington Heights. "When you shine a bright light on a target and you measure and communicate those results," said Chris DeWolf, the President and CEO of Lil' Drug Store Products, Inc., a national health care and beauty products supplier, "that's incredibly compelling for community leaders."

Expanding TotalChild: 2014 – 2015

Since 2014, Four Oaks has focused on expanding TotalChild in and beyond Cedar Rapids. This has required a major push with state funders, many of which, Gruenewald noted, demand evidence of the program's return on investment and replicability. Gruenewald, who in 2014 became Four Oaks' President and CEO, and her team have drawn on data from the University of Iowa—which evaluated the pilot against a traditional service delivery model—to show that TotalChild has not just benefitted clients but also produced more efficient services because of reduced recidivism. Supporters have responded: the agency has raised more than $6 million to support expanding efforts in Cedar Rapids, the state legislature began allocating funds for TotalChild, and the agency is expanding the program to two additional sites. [12]

At the same time, Four Oaks' leaders are developing TotalChild 2.0, a revamped version of the program that will try to identify more clearly the role and place of the success manager and also expand services for clients beyond the age of 18. According to board member Lydia Brown, "The board is saying, 'Okay, now we know it works. Now let's make it better.'"

Even as Four Oaks endeavors to improve TotalChild, its staff can take pride in the fact that they have already made a substantial impact. As of June 30, 2015, the organization had enrolled nearly 850 children, and TotalChild had resulted in a 70

"We're really learning and benefitting from that synergistic collective impact that happens when you combine both the neighborhood based and the child and family initiatives at the same time."

– Anne Gruenewald
President and CEO, Four Oaks

10 Home to 129,195 people, Cedar Rapids is Iowa's second-largest city. In 2008, Cedar Rapids experienced a 500-year flood, creating an environment, which, some local officials believed, was ripe for reform. "Cedar Rapids, Iowa," U.S. Census, available at http://quickfacts.census.gov/qfd/states/19/1912000.html (accessed on November 25, 2015).

11 In the 2008-2009 fiscal year, Four Oaks' operating budget was $31 million. "Constructing Confidence," Four Oaks Expect Success Report, 2009, available at http://www.fouroaks.org/Content/What-We-Do/Annual-Reports.aspx (accessed on November 24, 2015).

12 Rick Smith, "TotalChild's Wellington Heights Housing Renovation Effort Hits Three-Year Mark," The Gazette, June 22, 2015, available at http://www.thegazette.com/subject/news/government/local/totalchilds-housing-effort-hits-3-year-mark-20150622 (accessed on November 24, 2015).

percent improvement for all at-risk and in-crisis clients. More broadly, Gruenewald and her team have taken an organization, which by the CEO's own admission, was in the "regulative" dimension of the Human Services Value Curve, and transformed it to an "integrative business model." More specifically, Four Oaks has woven together multiple programs and in the process strengthened customer service, expanded its operations, and produced data-driven evidence of its impact. With more funding coming into the organization and Four Oaks' commitment to continued evaluation and renewal, all signs suggest that the organization can continue to scale the Human Services Value Curve.

To her counterparts across the country hoping to effect similarly far-reaching reform, Gruenewald emphasized the importance of "leadership with some stubbornness and some real drive to do some problem-solving," adding, "These are stretch objectives, but it's really important because that's why we're in this business." She also offers a more concise but nonetheless powerful piece of advice: "Expect success."

To learn more about this case session and watch the video, please go to URL

lnw.io/cedarrapids16

Enablers and Barriers for Traversing the Human Services Value Curve

- Barrier – Organizational Silos: In organizations with a regulative business model, staff often work in silos. In its attempt to build a generative business model, Four Oaks created success managers who were responsible for ensuring dialogue across departments; still, it proved challenging to integrate this position into Four Oaks' staffing model.
- Barrier – Demands of Status Quo: At any human services agency, the demands on staff can be overwhelming. This makes it challenging to step back from daily priorities and build a strategy to move up the Human Services Value Curve. Four Oaks identified a strong leader (Gruenewald) who made reform a priority. Nonetheless, the demands of the status quo represent a barrier to reform.
- Enabler – Careful Planning: Moving to a generative business model requires reshaping all elements of an organization. Four Oaks developed a plan and exhibited the patience to refine that strategy through internal discussions, a pilot, evaluation, and (now) expansion. Frequently, careful planning and execution engages your full organization in moving up the Human Services Value Curve.
- Enabler – Orchestrating Change: When organizations transition to a generative business model, funders may wonder whether reform will interfere with core objectives. Four Oaks mitigated this risk by funding the pilot through its strategic reserve and not soliciting new funds until it had proof that the pilot worked.

Serving All Citizens:

Driving System Integration in Michigan

On January 1, 2015, recently reelected Michigan Governor Rick Snyder ascended the steps of the state capitol, took the oath of office, and delivered an inaugural address with a stirring vision. [1] More concretely, he argued that the state needed to reorient its approach to social services. [2]

In February, Snyder complemented his rhetoric with action, signing an executive order to combine the Departments of Community Health and Human Services. With more than 14,000 employees and a $25.1 billion budget, the newly created Department of Health and Human Services (DHHS) would be the largest agency in the state. [3] It also evoked the change Snyder hoped to effect statewide. "This restructuring is not just about putting two departments together," he emphasized. "It's looking at a fundamentally better way of service…. Let's treat people as people, not programs." [4]

Put differently, Snyder wanted Michigan to ascend the Human Services Value Curve. The state had long had a regulative business model, with programs operating in silos and minimal integration of data, IT, and budgets. State officials wanted to create an integrative or generative business model in which programs focused on the whole person and the state leveraged data and shared information to react nimbly to

"This restructuring is not just about putting two departments together. It's looking at a fundamentally better way of service."

– Rick Snyder
Michigan Governor

1 "Highlights from Governor Rick Snyder's 2015 Second Inaugural Address," State of Michigan, available at http://www.michigan.gov/snyder/0,4668,7-277-57577_60279-344616--,00.html (accessed on December 10, 2015).

2 Qtd. in "Serving All Citizens – Case in Point: Driving System Integration in Michigan," Presentation by Timothy Becker, Chief Deputy Director, Michigan Department of Health and Human Services, at 2015 Human Services Summit, Harvard University, Cambridge, MA, October 24, 2015. Hereafter cited as: "Serving All Citizens – Case in Point: Driving System Integration in Michigan." Unless noted, the remainder of this presentation draws on this case study.

3 Kathleen Gray, "Snyder Signs Order Merging Health, Human Services," Detroit Free Press, February 6, 2015, available at http://www.freep.com/story/news/politics/2015/02/06/snyder-sign-executive-order-merging-health-human-services-departments/22987857/ (accessed on December 10, 2015).

4 Jonathan Oosting, "Snyder: Merged Health, Human Services Department Shifts Government Focus To People, Not Programs," Michigan Live, April 14, 2015, available at http://www.mlive.com/lansing-news/index.ssf/2015/04/snyder_merged_department_of_he.html (accessed on December 11, 2015).

novel challenges. To Timothy Becker, the chief deputy director of DHHS, effecting this transition was imperative. "We're pretty good at running programs," he lamented. "We're not real good at addressing the core needs of the people that we serve." [5]

To achieve their goals, Snyder, Becker, and other state officials would have to bind together approximately 140 different programs and in the process, answer a number of vexing questions. Who were the highest-need clients? What should an integrated service delivery system look like? How could they free social workers to focus on clients? Could they overcome challenges—ranging from the cacophony of daily governance to cross-agency culture clashes—to sustain the momentum for reform?

"We're pretty good at running programs. We're not real good at addressing the core needs of the people that we serve."

– Timothy Becker
Chief Deputy Director, Michigan Department of Health and Human Services

Background – The Impetus to Merge: 2013 – April 2015

A CPA by trade, Snyder had prioritized efficiency and impact since taking office in 2011. [6] However, he and other state leaders did not begin to see the benefits of having the community health and human services agencies work together until 2013 when Michigan applied to become a Medicaid expansion state. The application process and subsequent expansion were, as Becker recalled, an "aha moment" that revealed the poor coordination between the two agencies in the status quo, as well as the potential synergies when they worked together. [7, 8] For example, auditing the state's Medicaid program had been exceptionally difficult because the Department of Community Health oversaw part of Medicaid, the Department of Human Services handled Medicaid eligibility, and the agencies had been, as Becker said, "tripping over each other." But the Medicaid expansion provided the beginnings of a coordination mechanism.

Then, in 2014, the directors of both agencies announced their plans to retire, prompting state officials to consider the possibility of consolidating the two organizations. Snyder initiated a dialogue about a merger, culminating with his executive order in February 2015 and the formal consolidation of the agencies in April 2015. [9]

Implementation Questions and Challenges: May – December 2015

Although bringing the agencies together was a crucial first step, the department's new leaders had to figure out how to make Snyder's vision a reality. Officials began by crafting a diagram mapping the program's clients and their needs. The exercise was revealing. Of the (approximately) 2.3 million Medicaid recipients in Michigan, 909,000 citizens also received food assistance, and 60,000 people obtained Medicaid as well as cash and food assistance. The agency had identified some of the state's highest-need citizens and, as Becker said, now needed to "get at the core of their issues that are bringing them in our doors."

The best way to identify these "root causes" was to put different programs in dialogue with one another, but with 140 programs accustomed to operating in silos, this was a formidable task. For one thing, the existing IT infrastructure had developed around Medicaid, so IT staff knew a lot about that program and little about others. This meant that disseminating program data—which was similarly segmented in different warehouses—would require retraining IT staff and crafting a system that transcends boundaries. "I wanted to take that [expertise] out and spread it horizontally across the organization where they can drive the change we're talking about," Becker explained, "and mak[e] sure that we're cutting across the administrations and not just staying in the silo[s]."

DHHS leaders have begun that process by sketching a plan for a new online dashboard to help clients, staff, and different programs interact easily. The platform will have an online portal that clients can use to complete a needs assessment and work with staff to create a "success plan," which will guide progress throughout clients' time with the agency. Meanwhile, staff in different

5 Serving All Citizens – Case in Point: Driving System Integration in Michigan

6 According to Becker, also a CPA, the governor's background in accounting helped him to transcend partisan divides. "He's not concerned about the R's [Republicans] and the D's [Democrats]," Becker said. "He's all about solving problems."

7 "Medicaid Expansion in Michigan," The Henry J. Kaiser Family Foundation, November 20, 2015, available at http://kff.org/medicaid/fact-sheet/medicaid-expansion-in-michigan/ (accessed on November 20, 2015).

8 The 2010 Affordable Care Act gave states the option to expand Medicaid coverage to citizens under age 65 whose income is at or below 138 percent of the federal poverty line. In order for a state to obtain approval to expand, it had to apply for a waiver from the Centers for Medicare and Medicaid Services. "Affordable Care Act Medicaid Expansion," National Conference of State Legislatures, November 30, 2015, available at http://www.ncsl.org/research/health/affordable-care-act-expansion.aspx (accessed on December 11, 2015); and "Eligibility," Medicaid, available at http://medicaid.gov/medicaid-chip-program-information/by-topics/eligibility/eligibility.html (accessed on December 11, 2015).

9 Kathleen Gray, "Health and Human Services Department Becomes Official," Detroit Free Press, April 11, 2015, available at http://www.freep.com/story/news/politics/2015/04/11/creation-department-health-human-services-makes-largest-department-state/25606393/ (accessed on December 11, 2015).

programs will be able to view comprehensive client profiles and communicate and share data across programs as they work to determine the best way to help the client. To Becker, this setup—and the collaborative process it would foster—was imperative to focus the agency on a client's core needs. "It doesn't matter how well we run our programs," he emphasized, "if we don't get back to the heart of the matter and ask the real question: what is it that brought the people to us to begin with?"

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– Timothy Becker
Chief Deputy Director, Michigan Department of Health and Human Services

Supporting Social Workers

Another priority is easing the administrative burden on social workers. In recent years, some social workers in Detroit and Wayne County have been responsible for 800 cases. "You can't possibly manage that," Becker lamented. Other social workers have been overwhelmed because they have had to enter data from applications that are as much as 64-pages long. These critical public servants, Becker observed, "have become disillusioned because we've turned them into processors."

DHHS is taking multiple steps to free social workers to work with clients. One is a plan to cull the initial client application to 12 questions. At the same time, the agency is trying to connect social workers with clients proactively. For example, Pathways to Potential, a program that began before the merger, has put social workers in 312 public schools across the state. [10] DHHS is looking to apply a similar model in community mental health facilities. This will help social workers identify high-need citizens and, most importantly, contribute to the overarching objective, as Becker said, of "free[ing] up our social workers to be social workers again."

The Path Ahead: 2016 and Beyond

A little over eight months into the merger, DHHS has encountered multiple challenges, ranging from staff turnover to the difficulty of meshing the cultures of the health and human services staffs. To Becker, these difficulties, although painful in the short-term, will lead to unity in the long term. "To make this work," he said, "everybody's got to be rowing in the same direction."

What's more, even as the agency wrestles with these short-term obstacles, it is starting to put programs in dialogue with one another, beginning the process of ascending the Human Services Value Curve. "I think overall with the merger, and now that we've been able to synchronize, we've got different administrations talking to each other," Becker said. "Overall, I believe we [have] a collaborative/integrative [business model]."

10 "About," The Pathways to Potential Program, Michigan Department of Health & Human Services, available at http://michigan.gov/mdhhs/0,5885,7-339-71551_69890_69986_69988---,00.html (accessed on December 14, 2015).

If the agency is to realize its ultimate goal of developing an integrative or generative business model, it will have to sustain what Becker identifies as the most integral aspect of the reform effort: taking time to think about the clients the agency is serving. "What I continue to emphasize with our folks," said Becker, who often meets and schedules multi-day retreats with local officials, "…is let's all take our head[s] up for a few seconds, let's look around, let's talk to other people in the department and let's figure out how we can better serve the people that we're serving." And it is because of this focus that Becker is confident that DHHS can overcome years of fragmentation and contribute to the governor's vision. "We're not quite where we want to be yet," he acknowledged, "but I think we're getting there."

To learn more about this case session and watch the video, please go to URL
lnw.io/michigan16

Enablers and Barriers for Traversing the Human Services Value Curve

- Barrier – Legacy Systems, Structures, and Processes: Michigan had approximately 140 different health and human services programs with separate staffs, systems, and cultures. This fragmentation is anathema to integration and innovation.
- Barrier – Administrative Burdens: In Michigan, social workers had to process 64-page applications and manage as many as 800 cases each. This prevented them from doing what they do best (working with clients) and damaged morale. Excessive administrative burdens weigh down front-line staff, the vanguard for effecting change.
- Enabler – Technological Integration: Michigan is creating a common platform through which staff can obtain and share client data. This will greatly reduce the difficulties of communicating with different programs about a client's needs. Technological integration facilitates collaboration and is therefore a critical enabler.
- Enabler – Space and Focus: In Michigan, DHHS leaders encourage staff to discuss reform and focus that dialogue on how to improve client service. Amid the mayhem of governance, it can be challenging to find time to discuss program enhancements; it is also hard to discern how to shape those conversations. Creating space for discussion and ensuring group focus expedites reform.

"I don't think that we have the time, the energy, the money to design that optimal system to pay for all the people who will need care, but I do think we can strategically invest upstream to preclude people from continuing to go over the cliff."

– Dr. Anthony Biglan

Senior Scientist, Oregon Research Institute

During the keynote session participants discussed how principles of the "nurture effect" can apply to human services programs, systems, and approaches. To learn more about this session and watch the video, please go to URL

lnw.io/nurture16

"I think nurturing is our behavioral vaccine, if you will. It enables us to inoculate a population so that there are fewer coming to us for treatment and care."

– Dr. Roderick Bremby

Commissioner, Connecticut Department of Social Services

Moving Up the Human Services Value Curve:

The Adaptive Challenge

The demand for improved value and outcomes from human services organizations is fierce, and leaders are under increasing pressure to deliver results better, faster, and cheaper. Even the most seasoned leaders face difficulty in moving their human services organizations to new ways of creating and delivering services, and this challenge was on the minds of participants at the Human Services Summit.

"Human services are deeply embedded within an ecosystem of public, private, and social sector organizations, which means that innovation has to be aligned across multiple organizational boundaries," explained Dr. Antonio Oftelie, Executive Director of Leadership for Networked World and Public Sector Innovation Fellow at the Harvard School of Engineering and Applied Sciences. "The central challenge for leaders in human services is how to help people across an ecosystem adopt new business models, capabilities, and cultural attributes."

To help with this challenge, Dr. Ron Heifetz, Founder of the Center for Public Leadership at Harvard Kennedy School, led a summit discussion on how exercising adaptive leadership can help organizations move up the Human Services Value Curve.

Heifetz emphasized that leaders must first understand moving up the Human Services Value Curve as an organizational adaptation. As organizations reach each level of the curve, people within organizations will experience different forms of challenges or barriers to adaptation. First, there are "technical" challenges – situations where both the problem and solutions are clear, and can be resolved by authority. Second, it is common for a challenge to be both "technical" and "adaptive" – in which the problem is clear, but solutions require learning and stakeholders need to actively work on the issue. The most difficult challenges are purely "adaptive" – both the problem and solution require learning, and stakeholders have to be deeply engaged in creating solutions.

The Adaptive Challenge – Mobilizing Stakeholders			
Form of Challenge and Work	Problem Definition	Solutions and Implementation	Primary Locus of Responsibility
Technical	Clear	Clear	Authority
Technical & Adaptive	Clear	Requires Learning	Authority > Stakeholders
Adaptive	Requires Learning	Requires Learning	Stakeholders > Authority

Heifetz explained: "An adaptive challenge requires experiments, new discoveries, and adjustments from numerous places in the organization. Without learning new ways – changing attitudes, values, and behaviors – people cannot make the adaptive leap necessary to thrive in the new environment. The sustainability of change depends on having the people with the problem internalize the change itself."

So how can leaders govern the adaptive challenge?

An adaptive challenge cannot be resolved completely through authority or (change) management. Rather, it takes actively mobilizing stakeholders to address real and perceived loss of established ideals, values, and competencies while also actively learning new competencies, capabilities, and culture. As challenges become more purely adaptive, the locus of work needs deeper engagement by those affected. This form of "exercising leadership" is needed to move people through the adaptive challenge.

Heifetz analogized movement to change in the natural world. In addition to production, "Nature has three basic tasks: what to conserve, what to discard, and what innovations (new 'DNA') will enable new capacity," he said, noting that nature "evolves" slowly and often imperceptibly. "This is important as a leadership metaphor because really significant change is highly conservative. Small changes in DNA can result in major leaps. People in authority talk with enthusiasm about innovations and change, yet neglect to emphasize and communicate to stakeholders all that will remain the same. We frighten people and they respond to the sense of loss rather than all that's going to be preserved."

"The central challenge for leaders in human services is how to diagnose and resolve adaptive challenges as they move an organization through adoption of new business models, capabilities and cultural attributes."

Dr. Antonio M. Oftelie

Executive Director, Leadership for a Networked World

A critical aspect of exercising leadership is to identify what "DNA" needs to be conserved, while at the same time identifying what must change. This necessitates working with people to create a vision for the future, while attaching this new vision to the organization's historic mission and ideals. It also requires innovation and new ways of working and new competencies, while pacing the change in a way that enables people to deal with loss and make the gains their own.

Human services leaders will be stymied in their efforts if adaptive leadership is not exercised, said Oftelie and Heifetz.

When a person or group isn't mobilized to work through their adaptive challenge, they may work against the new vision and derail a transformational initiative. Common examples of maladaptive behavior include:

- Avoidance: People disengage from the initiative – consciously or unconsciously – as they avoid the pain, anxiety, or conflict that comes with actively working through the gains and losses.
- Direct Push-back: People will actively fight the changes and advocate for previous models and methods of work.
- Circumvention: People will work around leadership and lobby agency heads, legislators, or whoever will lend a sympathetic ear in order to delay, distract, or derail the initiative.
- Shadow Processes: People will secretly keep past processes and operating models (undermining efficiencies that come from new models) in order to retain a sense of control.

Heifetz offered recommendations for leaders to mobilize themselves and other individuals within their organizations:

- Identify the Adaptive Challenges: Be in a position where you know what will happen next. If you assess and forecast where the adaptive challenges will arise you can start working with the people affected and resolve the tensions and tradeoffs related to their changing roles, capabilities, loyalties, and identity.
- Start with Micro-adaptations: Realize that people need time to work through adaptive challenges – and get to know their limits. Pilot programs and small-scale innovations can build capacity for subsequent larger-scale adaptations. Create a "holding environment" for groups to discuss all of the issues related to the change in a non-judgmental atmosphere.
- Understand and Assess the Psychology of "Gains and Losses": Understand the perceived and real value gains and value losses to each category of stakeholder, i.e., data center managers will perceive the value vastly different than an authorizing body or a senior executive in the initiative. Remember that perceived losses affect adoption as much as perceived gains.
- Protect Voices of Leadership: Find and protect the people who exercise leadership but don't have the cover of formal authority. These people are the "change-makers" within an organization and usually have a high capacity for mobilizing themselves and their peers. Funnel them timely information, engage them in helping to voice the necessity of change, and protect them during the process.
- Hold Steady: Last – and most important – protect yourself. Realize that you are affected by the change and adaptation also. Work through your personal adaptation- and if you can, do some of that with others. Separate yourself from your role and understand that maladaptive people will attack your role and your authority – don't take it personally.

"An adaptive challenge requires experiments, new discoveries, and adjustments from numerous places in the organization. Without learning new ways – changing attitudes, values, and behaviors – people cannot make the adaptive leap necessary to thrive in the new environment."

- Dr. Ronald Heifetz

Founder, Center for Public Leadership, Harvard Kennedy School

There are many ways to describe the changes taking place in human services today: disruptive, revolutionary, transformational, radical. No matter how it's described, people in human services organizations have to keep services flowing for the most vulnerable customers, while creating a new vision, organization, and identity for the future. Exercising adaptive leadership will be the pivotal strategy for helping people during this journey, and for realizing the potential of new business models for outcomes, impact, and value.

On-ramps:

Strategies for Ascending the Human Services Value Curve

In 2014, the Georgia Division of Family and Children Services (DFCS)—an organization housed within the state's Department of Human Services that investigates child abuse and supports troubled families—was in crisis. [1] It had recently experienced a 36 percent staff turnover rate and needed 60 percent more personnel—a major reason the unit had a backlog of approximately 6,000 investigations. Over 12 years, DFCS had had nine leaders. Most disturbingly, Georgia had recently experienced six high-profile child deaths. [2]

In 2011, Kansas's health and human services programs faced similarly significant problems. Following multiple reshufflings over five years, health and human services initiatives were fragmented and siloed. [3] The state's system for determining eligibility for health and human services programs was more than 20 years old. [4] Amid the aftershocks of the Great Recession and following the passage of the 2010 Affordable Care Act, many residents needed assistance that Kansas was neither organized nor equipped to provide.

Over the last two years, both states have made progress. DFCS created a "Blueprint for Change" to bolster its practice model, workforce development, and constituent engagement. Kansas has partially launched the Kansas Eligibility and Enforcement System, an online portal allowing residents to apply for health and human services. [5] Both organizations are climbing the Human Services Value Curve by fostering collaboration, investing in staff and systems, and amplifying impact.

At the 2015 Human Services Summit, Bobby Cagle and Virginia Pryor, DFCS's Director and Deputy Director, and Dr. Susan Mosier, the Secretary of Kansas' Department of Health and Environment, identified the methods and approaches that have

1 "About Us," Division of Family and Children Services, Georgia Department of Human Services, available at http://dfcs.dhs.georgia.gov/about-us (accessed on December 17, 2015).

2 Bobby Cagle and Virginia Pryor, Presentation at 2015 Human Services Summit, Harvard University, Cambridge, MA, October 25, 2015. Unless noted, the remainder of the material in this section dealing with Georgia comes from this presentation.

3 In 2005, the state's health and human services programs were housed within the Department of Health and Human Services. In 2006, part of Medicaid was separated into a new health policy authority. In 2011, that authority was folded into the Department of Health and Environment, contributing to the state's scattered health and human services environment.

4 Dr. Susan Mosier, Presentation at 2015 Human Services Summit, Harvard University, Cambridge, MA, October 25, 2015. Unless noted, the remainder of the material in this section dealing with Kansas comes from this presentation.

5 The system is already live for all medical services, and the state plans to add human services programs in the second quarter of 2016.

enabled them to move forward. They then engaged in a consultative dialogue with Summit attendees about how to accelerate their progress along the Human Services Value Curve. The exchange yielded "on-ramps"—methods and initiatives—for scaling the Human Services Value Curve. The most important approaches involve leadership, decision-making, and stakeholder engagement.

"On-Ramp" One – Passionate and Empowering Leadership

Moving up the Human Services Value Curve hinges heavily on senior leaders. They decide to pursue reform, motivate staff, and guide the organization's transformation. Under the leadership umbrella, exhibiting passion, empowering staff, and recognizing areas for improvement are critical "on-ramps."

Passion and Personal Experience

Climbing the Human Services Value Curve is grueling, so to an extent, an organization's success hinges on a leader's ability to sustain motivation. Cagle—who spent the first ten months of his life in an orphanage—is a case in point. He decided to take the position leading DFCS, a struggling organization, because he cared about the work. "If your heart's not in it," he said, "you're not going to stay long [in the human services field]."

Mosier draws on her background as well. After an audience member asked her how she would measure the success of integration, she described how as an ophthalmologist, she had treated patients with severe mental health problems. This impressed upon her that care should not be segmented into different providers; she therefore considers integration the catalyst for and barometer of success. "We need to think more holistically about our patients so it's not just their physical health," she said. "So we want to break down…barriers."

Empowerment

There are limits to what any single person can do. This is why a leader must empower his/her team. Mosier hinted at this by quoting Steve Jobs, who, according to the Kansas official, once said, "We hire smart people so they can tell us what to do." Pryor echoed this sentiment. "We can't get anything done at 2 Peach Street," she said, referencing the location of the Department of Human Services. She and Cagle meet with staff throughout the state and, as Pryor added, act on their "immediate feedback." The implication is that leaders must encourage their teams to propose and implement innovative solutions.

Improvement

Finally, leaders must recognize and address an organization's areas for improvement. For example, Pryor and Mosier said they are trying to make more extensive use of predictive analytics and metrics, respectively. More specifically, DFCS is hoping to use predictive analytics to devise strategies to manage staff time; nonetheless, as Pryor explained, DFCS is "at the very beginning" of employing predictive analytics. Similarly, Mosier is calling for greater use of data but acknowledged that the metrics (and the methods for gathering them) are still "in gestation."

This discussion prompted one audience member to press Cagle to identify DFCS's biggest area for improvement. What, the attendee asked, is "giving you the greatest concern right now?" Cagle responded that sustaining funding for DFCS "keeps [him] awake at night" and has therefore impressed upon funders the importance of not letting the state become comfortable with "mediocrity."

"On-Ramp" Two – Decision-Making

Traversing the Human Services Value Curve requires difficult decisions about resources, strategies, and personnel. Speakers highlighted several "on-ramps" that can strengthen decision-making.

Data

DFCS has introduced a business intelligence platform that classifies clients as low-, medium-, or high-risk—categories that help the agency determine which clients need attention. Similarly, Mosier has adopted the mantra, "metrics matter," and is working with her team to identify key parameters and to equip the integrated eligibility system to capture them. Organizations that advance along the Human Services Value Curve make data-driven decisions.

Organizational Structure and Information Technology

Another "on-ramp" is having an organizational structure and information technology that facilitate coordination. Mosier's work illustrates this vividly. In 2013, she recognized that teams in offices were operating in silos. She created a "unified leadership" team that brought together program directors; established an executive sponsorship team to handle the most-important decisions; and grouped CIOs in pods, which facilitated information sharing as well as IT integration.

One audience member raised the concern that increased dependence on technology and data may lead some staff to fear losing their jobs to automation. Mosier responded by describing how she has encouraged staff to view reform as an opportunity to reimagine roles and impact. "Look inside for your next job," she tells anxious staff, "because there's plenty of opportunities…."

When an organization has many people involved in decisions, and those leaders are sharing data, the agency's decisions become more informed, and staff members have insights to innovate.

"We need to think more holistically about our patients so it's not just their physical health."

Dr. Susan Mosier

Secretary, Kansas Department of Health and Environment

A Personal Touch (In Doses)

Decision-making also depends on staff carefully using their time. Kansas's integrated eligibility system has a "no touch" approach, so citizens can submit service applications electronically and without a staff member touching the application. This frees up staff to focus on the highest-need cases. In Georgia, Cagle and his staff have discovered that making in-person visits to high-need clients leads to better treatment.

Human services professionals have finite time; managing that commodity is therefore critical to ensure efficient organizational decision-making.

"On-Ramp" Three – Stakeholder Engagement

A final "on-ramp" is skillful stakeholder engagement. Scaling the Human Services Value Curve is a collaborative process involving several key groups.

The Private Sector

One valuable partner is the private sector. As Pryor recalled, DFCS "took a page" from Zappos (an online shoe and clothing vendor) by creating a "culture book," compiling staff insights about whether the organization was living up to its values. Similarly, Kansas is working with Accenture to develop its integrated eligibility system. Companies are laboratories for innovation, and collaborative experimentation facilitates progress along the Human Services Value Curve.

The Government

Public officials from other agencies are also critical stakeholders. At one level, engaging these officials is critical so that they do not feel threatened. One audience member asked Mosier whether she is engaging providers and local government officials, prompting her to say that she does and to cite the adage, "If you're not at the table, you're on the menu." Cagle similarly travels across Georgia to engage with local law enforcement officials, judges, and district attorneys. These leaders have supported the reform initiative and shared fresh perspectives about how to accelerate it.

The Public

During his first 17 months in office, Cagle has done more than 100 interviews and met with the editorial boards of media outlets across the state. This is in part to generate awareness, but he is also doing proactive damage control. "I firmly believe," he said, "that it's better to go and talk to somebody, even if it's just about the blueprint for change, than to have never talked to them and have to answer a question about why a child died."

Cagle's media strategy prompted substantial discussion at the Summit. One audience member had spent over a decade in marketing and branding at Kraft; that firm did extensive quantitative and qualitative analysis to inform its marketing campaigns. The attendee suggested that the human services sector should use similar approaches. Another seminar participant said to Cagle, "I

want the positive press you're getting…because so much [of this work] is perception…." The discussant added that it is important to manage expectations. "Just keep in mind, it takes a really long time [to effect reform]."

Reform is risky, and in the event something goes awry, it is imperative to acknowledge a mistake, learn, and eventually move on. Having a store of political capital, developed through an ongoing dialogue with the public, can facilitate that process.

Conclusion

While all of these "on-ramps" are valuable, it is imperative to remember that ascending the Human Services Value Curve is a non-linear process. No matter how much people leverage strong leadership, effective decision-making, and stakeholder engagement, they will sometimes find themselves moving backwards on the Human Services Value Curve. The reality is that the most valuable "on-ramp" may be the ability to bounce back, adapt, and continue climbing the Human Services Value Curve.

"If you're not at the table, you're on the menu."

Bobby Cagle
Director, Georgia Division of Family and Children Services

Opening Doors:

Missouri's Health Home Initiative

The average U.S. citizen lives into his/her late 70s; the life expectancy for a person with a mental disorder is 66; and if someone has a mental disorder and is a Medicare or Medicaid beneficiary, that citizen is only expected to live to (roughly) the age of 55, on par with someone in sub-Saharan Africa. To Dr. Joseph Parks, the director of Missouri's HealthNet Division (the state's Medicaid organization), this is "an appalling emergency" and is emblematic of a foundational problem: the U.S. health care system "depends almost entirely on the person who's sick."[1] People must identify when something is wrong and determine whom to see. For people with serious mental health problems or chronic medical conditions, the results of this setup can be catastrophic.[2]

"It's better to apologize for a failed, yet prompt attempt than apologize for a missed opportunity."

– Dr. Joseph Parks
Director, Missouri HealthNet

Missouri officials became acutely aware of this dilemma in 2006 when the National Association of State Mental Health Program Directors released a report detailing the perilous experience of Medicare/Medicaid beneficiaries with mental health disorders.[3] At first, it was unclear how to address the problem. Particularly after the onset of the Great Recession in 2008, Missouri was strapped for cash. Meanwhile, health care costs were rising. Traditional solutions, like increasing spending and incentivizing better care, would not suffice. State officials had to find a way to come together and devise a new, more efficient way to deliver care to one of the state's highest-need populations.

1 MO HealthNet Division, Missouri Department of Social Services, available at http://dss.mo.gov/mhd/ (accessed on November 17, 2015); and "Dr. Joe Parks Named Director of MO HealthNet Division, Gov. Nixon Announces," Office of Missouri Governor Jay Nixon, State of Missouri, November 22, 2013, available at https://governor.mo.gov/news/archive/dr-joe-parks-named-director-mo-healthnet-division-gov-nixon-announces (accessed on November 17, 2015).

2 Joseph Parks, MD, "Leadership Lessons from Missouri's Health Homes: Opening Doors and Creating Momentum," Presentation at 2015 Human Services Summit, Harvard University, Cambridge, MA, October 24, 2015. Unless noted, the remainder of this case study draws on this presentation.

3 "The Promise of Convergence: Transforming Health Care Delivery in Missouri: A Case Study for the 2015 NASCA Institute on Management and Leadership," Leadership for a Networked World, October 2015, p. 3, available at http://www.naspo.org/dnn/Portals/16/2015%20NASCA%20Case%20Study%20-%20The%20Promise%20of%20Convergence%20FINAL%20for%20article.pdf (accessed on December 1, 2015).

The result was the launch in 2012 of Missouri's Health Home Initiative, a program that created a place where high-need Medicaid recipients could receive coordinated care from an integrated team of medical, behavioral, and related social services specialists. [4] The program has shifted the burden of managing care away from Missouri's previously overwhelmed Medicaid beneficiaries and, in just three years, created $59 million in savings, reduced blood pressure and cholesterol in beneficiaries, and decreased hospital admissions and emergency room visits. A decade after recognizing a crisis, Missouri has become a bellwether for Medicaid reform across the country.

"The most powerful leadership technique is partnership."

– Dr. Joseph Parks
Director, Missouri HealthNet

More broadly, the state's blend of planning and experimentation is instructive for organizations attempting to scale the Human Services Value Curve. Missouri employed incremental relationship building and cultural reform but avoided unnecessarily time-consuming processes, such as building a new data management system. The implication is simple but powerful: moving up the Human Services Value Curve is ultimately an action-oriented process.

Building Partnerships: January 2003 – December 2011

A psychiatrist by trade, Parks began exploring care coordination in the early 2000s while serving as the Medical Director of the Missouri Department of Mental Health. [5] He started by initiating dialogues with organizations like Missouri HealthNet that were likely to figure prominently in reform. Rather than immediately issuing demands of these groups, Parks first tried to understand their problems; offered benefits (e.g., resources, fiscal freedom, and administrative assistance); and, when possible, defended them when they were under attack by others. "The best way to be a leader," Parks later said of the approach, "is to be a partner."

The strategy paid dividends. In the spring and summer of 2011, following the passage of the 2010 Affordable Care Act (which made federal funding available for Medicaid reform), Missouri HealthNet, the state Office of Administration, and the Missouri Department of Health and Senior Services developed a plan for health homes. Missouri then submitted two applications to the Centers for Medicaid and Medicare Services (CMS). The first would allow the state to establish health homes for Medicaid recipients with severe mental illnesses. The second would establish facilities for Medicaid beneficiaries with two or more chronic conditions. CMS approved the applications, and, in January 2012, Missouri implemented both behavioral health homes and primary care health homes statewide. [6]

Making The Vision A Reality – Building A Culture and Leveraging Data: January 2012 – December 2014

Parks and other state leaders had given substantial thought to the shape, structure, and priorities of health homes. Based in Community Mental Health Centers and primary care clinics, the groups would focus on care management, care coordination, care transitions, health promotion, individual and family support, and community services. [7] A nurse care manager, a care coordinator, and a health home director would staff the homes, and they would be funded on a per member, per month basis. [8]

Fostering A Common Culture

Still, the collaborators encountered unexpected obstacles. One was encouraging the creation of a common culture. As Parks explained, every profession has a culture that dictates how people work, but staff members at health homes were in new entities and had novel responsibilities. Of particular importance were the nurse care managers, a group of nurses accustomed to caring for patients who now needed to take on a case management role. In response to this shift, Parks created forums—including phone and off-site meetings—so that nurse care managers could discuss their roles. Then, in 2013, when norms had begun to take hold, he asked the nurse care managers to create a "book of standards for what [they] should or shouldn't do." The team had collaboratively

4 Ibid., p. 5.

5 "Dr. Joe Parks," Missouri Health Connection, available at http://www.missourihealthconnection.org/dr-joseph-parks (accessed on November 17, 2015); and Brenda Spillman, Barbara Ormond, and Elizabeth Richardson, "Medicaid Health Homes in Missouri: Review of Pre-Existing State Initiatives and State Plan Amendments for the State's First Section 2703 Medicaid Health Homes," Department of Health and Human Services, June 29, 2012, available at http://aspe.hhs.gov/sites/default/files/pdf/121456/HHOption-MO_0.pdf (accessed on November 17, 2015).

6 "Missouri Health Homes," Community Mental Health Center Healthcare Homes, Missouri Department of Mental Health, available at http://dmh.mo.gov/mentalillness/mohealthhomes.html (accessed on November 17, 2015); and "MO HealthNet Primary Care Health Home Initiative," available at http://dss.mo.gov/mhd/cs/health-homes/ (accessed on November 17, 2015).

7 The primary care facilities included federally qualified health centers, rural health clinics, and hospital-oriented primary care clinics. Parks, "Leadership Lessons from Missouri's Health Homes: Opening Doors and Creating Momentum"; and Spillman, Ormond, and Richardson, p. 1.

8 Joseph Parks, MD, "Future of Integration Lessons Learned," SAMHSA-HRSA Center for Integrated Solutions, August 11, 2014, available at http://www.integration.samhsa.gov/Joe_Parks,_Envisioning_the_Future_of_Primary_amd_Behavioral_Healthcare_Integration.pdf (accessed on December 7, 2015).

created a "self-sustaining professional culture" and in the process contributed to a new mindset across partner organizations: this was not just a new service or program, but an entirely new way of seeing clients. This process culminated in the Commission on Accreditation of Rehabilitation Facilities—an independent, non-profit evaluator of health and human services—requesting that Missouri help them write national standards for accreditation of health homes. [9]

Leveraging Data

In developing plans for health homes, state leaders knew that they would need to share data so that they could evaluate their work and identify, locate, and assist beneficiaries. These state officials also knew they had an advantage: Missouri had been the first state to make available electronic health records based on Medicaid claims, meaning that (within legal boundaries) a wealth of data was available. [10] This helped give them the confidence to use the state's existing data infrastructure and thus avoid a common pitfall for organizations using data to propel themselves up the Human Services Value Curve: the time-consuming process of creating a brand new data management system. While building a new system is tempting because it seems it would dovetail with integration, it is invariably a time-sink. Missouri wisely prioritized expediting the start of the initiative. [11]

Another frequent problem involving data is territoriality. If a group sees new data as part of its particular domain, it might be disinclined to share. Missouri officials mitigated this risk by creating a broad memorandum of understanding that emphasized the importance of collaboration, not ownership. This approach—and the data sharing that followed—has facilitated more substantive cross-departmental dialogue. "We found that looking at data improves relationships, as opposed to telling each other anecdotes," Parks explained, "because everything becomes a testable hypothesis."

"We're creating new identities, and if we don't create a self-sustaining culture, we'll spend the rest of our lives training the new people."

– Dr. Joseph Parks
Director, Missouri HealthNet

Still, some staff initially felt "overwhelmed" by the task of collecting data for spreadsheets to track client outcomes; others saw the work as "burdensome." State leaders responded by holding training sessions highlighting how data collection, sharing, and analysis could help them devise new impactful treatments. [12] This soon bore fruit: after identifying beneficiaries who had asthma but were not using an inhaled corticosteroid, health homes staff increased use of this vital medication by 55 percent. This decreased emergency room visits (which the agency's leaders had anticipated); it also yielded a surprising benefit: patients using this medicine experienced less anxiety and needed fewer psychiatric medicines. The reason? Before, the patients had overused another inhaler, which, as Parks explained, "made them shaky and nervous." Now that they were taking the correct medication to prevent the start of an asthma attack, that problem had disappeared. "That is the fun you can have," Parks said, "when you manage your programs by data."

Self-Activation and Action: January – October 2015

Three years into Missouri's Health Home Initiative, Parks acknowledges that he has made mistakes and the program still faces challenges. Nonetheless, with more than 50 providers serving over 32,000 beneficiaries, the program has developed a substantial footprint. Having generated savings and health benefits, Missouri has also received national recognition, including the Gold Award from the American Psychiatric Association and an acknowledgment from the National Association of State Chief Administrators.

When his counterparts across the country seek advice about how to replicate Missouri's initiative, Parks highlights several points. One is the importance of self-awareness and -actualization. Parks—who in 2013 became the director of the state's Medicaid program—devotes half a day each week to his psychiatry practice because it helps him "see people differently." Even more significant, according to Parks, is recognizing the need for action. "[The] most important principle I learned," said Parks, who eschewed lengthy demonstration projects, "[is that] perfect [is] the enemy of good."

9 About CARF, CARF International, available at http://www.carf.org/home/ (accessed on December 21, 2015).

10 "The Promise of Convergence," p. 5.

11 Ibid., p. 6.

12 Ibid., p. 7.

The takeaway for agencies looking to move up the Human Services Value Curve is that it is crucial to have a plan in place (not to mention partners that back it and financing to sustain it). And once the foundation has been laid, leaders cannot look back. As Parks concluded, "It's better to apologize for a failed, yet prompt attempt than apologize for a missed opportunity."

To learn more about this case session and watch the video, please go to URL
lnw.io/missouri16

Enablers and Barriers for Traversing the Human Services Value Curve

- Barrier – Turf Protection: Moving toward a generative business model requires collaboration. Unfortunately, groups in the same sector, often in competition for finite resources, sometimes resist partnering. By understanding and advancing partners' priorities, Missouri overcame disincentives to collaborate.
- Barrier – Novel Roles: Moving up the Human Services Value Curve requires rethinking organizational culture and professional norms. This can alienate staff who have to adjust to novel roles. Missouri held forums where staff (especially nurse care managers) discussed their new responsibilities, and in the process, overcame an impediment to building a generative business model.
- Enabler – Data Stewardship: Leveraging data is critical for moving toward a generative business model, but creating a data management system and staff buy-in is challenging. Missouri wisely used existing frameworks and held staff training sessions that illuminated data's benefits. Skillfully managing data and the politics behind it is helpful for moving up the Human Services Value Curve.
- Enabler – Taking Action: Moving up the Human Services Value Curve requires innovation. A common pitfall is excessive analysis. Contemplation is tempting because change is risky, but action facilitates learning and impact. By using an existing data platform and not designing a large pilot, Missouri prioritized action.

Insights from the American Public Human Services Association Leadership Retreat

Last October, we had the honor of hosting state, local, and social sector leaders from across the country at our 2015 APHSA Leadership Retreat. The focus of this year's retreat: The Human Services Value Curve: From Concept to Execution, aligned perfectly with the human services summit that followed. The Leadership Retreat provided an interactive forum for APHSA members and partners who have been actively utilizing the Human Services Value Curve to discuss the progress of their applications of its core principles.

One clear pattern is that Value Curve execution is advancing on many fronts and is helping to lead a spectrum of changes across the health and human services landscape. The Value Curve has provided an effective frame for analyzing and planning how health and human services are provided at four progressive levels of value, building off of and expanding upon the consumer value delivered at the more formative levels. For many agencies, the Value Curve framework has provided a more comprehensive strategy and structure to their work and strengthened initiatives already in place. Many leaders have found the Value Curve to be attractive to policymakers and other stakeholders because of its focus on customers, service, and impact.

Another common takeaway was that Value Curve stages must be seen as mutually reinforcing building blocks that enable future stage progression. Many noted that this is particularly true at the first stage of the Value Curve, the Regulative level. While sometimes viewed as an "inferior" stage, a number of leaders reported that improving and strengthening a foundation of sound regulative work is frequently the necessary first step to moving beyond that stage and up the Curve to collaborative, integrative, and generative work.

One local agency emphasized its use of the Value Curve for families. Consumers in that county designed their own "Family Value Curve" that engages individuals and families in planning and executing their movement up the Curve. Agency leadership is using the insights and knowledge that customers bring to strengthen the progress and impact of self-sufficiency planning, often with dramatic results. They report the Curve enables problem-solving with families, not for them.

Leaders also discussed progress made and the challenges remaining in bringing the Value Curve to middle managers. This critically important group of agency staff can "make or break" the implementation of Value Curve-guided work, and in several agencies this group is the focus of intensive coaching and reflection.

One of the strongest conclusions of the day was the importance of utilizing the Value Curve to bring greater alignment with and connection to the health sector. Several state commissioners are developing stronger relationships with their health sector peers around these concerns and believe Value Curve principles will be key in illuminating the opportunities and advantages for both sectors. Many state and local leaders also point to the growing adoption of a "culture of health" model that has substantial value for both sectors. Taking full advantage of this perspective will require a broader understanding of what overall "health" truly means: a state of well-being that goes beyond the traditional medical or physical understandings.

At APHSA we are capturing the learnings from our members and partners, and are committed to supporting Value Curve progression that drives system transformation and enables all people to realize their full potential. We are indebted to our partners at Harvard's Leadership for a Networked World and Accenture for their ongoing contributions and commitment to our field.

Tracy Wareing Evans
Executive Director, APHSA

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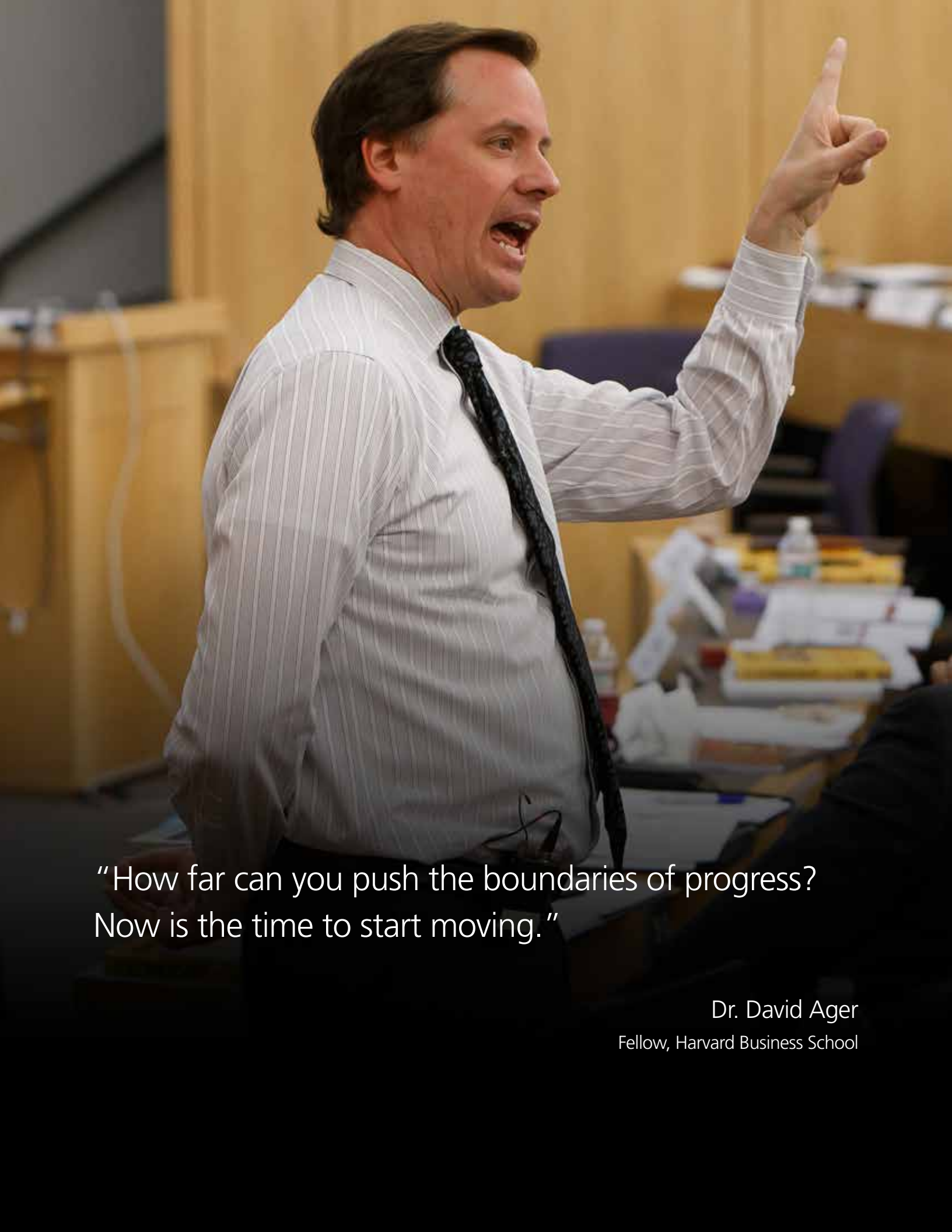

"How far can you push the boundaries of progress? Now is the time to start moving."

Dr. David Ager

Fellow, Harvard Business School

Summary

As human services professionals look to the future, they face an environment marked by growing need, constrained resources, and exciting emerging innovations. In a rapidly changing landscape, it is tempting—even understandable—to expect human services agencies to focus on sustaining the status quo. In practice, the enormous needs of people around the world mean that human services agencies need to evolve as well. What's more, the development of new communications platforms, advanced data analysis techniques, and novel interventions mean that human services organizations have the tools to grow stronger.

If the experiences of Four Oaks, Michigan, and Missouri are any indication, launching new organizational models and managing system change is difficult but possible. These cases also point to the importance of experimentation. While there are common steps that organizations can take to ascend the Human Services Value Curve, there is not a single process an agency can follow. Instead, leaders need to find the right mix of structural change, technological innovation, and human-led reform that can help agencies amplify the impact of all programs and services, leverage data to maximize efficiency and impact, and, above all, ensure that programs are focused on peoples' holistic needs.

By embracing this action-oriented mentality, human services professionals can ensure that their organizations thrive and also contribute to a broader, system-wide effort to effect meaningful change. Because it is not just individual agencies that are attempting to ascend the Human Services Value Curve; it is also an entire human services community striving to reach new frontiers of care, integration, efficiency, and impact. The world is changing. So it is incumbent on you and your peers to change with it. This is a challenge—indeed, it is an opportunity—worth embracing.

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Leadership for a Networked World (LNW) helps leaders ideate and activate organizational transformations that generate capacity and sustainable value. Founded in 1987 at Harvard Kennedy School, LNW is now an applied research initiative of the Harvard Public Sector Innovation Award Program at the Technology and Entrepreneurship Center at Harvard. Since 1987, LNW has delivered more than 200 learning events and gathered more than 12,000 alumni globally. To learn more about LNW please visit www.lnwprogram.org.

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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.

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