Update on CHQC Sustainability

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October 1, 2014
Points of Agreement

• Mission
  – Scope of Effort and Focus Areas
• Governance and Incorporation:
  – Continue Operations as of February 2015 as a program of MHQP (fiscal sponsorship) and address independent status when financially stable
  – Streamline functions with minimal standing committee structure: Executive Committee and Membership Committee
  – Ad hoc committees and work groups as appropriate
• Financial Support Plan: member contributions and fundraising, grant writing
Mission

Based on strategic planning effort through May 2014, review at Spring 2014 Exec Committee and Membership Meetings

• The mission of the CHQC is to champion and advocate for improved child health care quality and measurement, and to serve as a neutral convener of a broad-based set of stakeholders to facilitate a shared understanding of pediatric health care quality priorities across Massachusetts.

• Initiatives and Functions to support CHQC mission:
  – Advocacy for pediatric health in policy, regulations, programs
  – Measurement: Facilitate QI and new measure development
  – Delivery System Improvement: Initial focus on PCMH and care coordination and BI Integration work
  – Family-Provider Partnerships
Selection of a Fiscal Sponsor

• Defer independent incorporation and application for Not-For-Profit status until CHQC sustainability more certain

• MHQP is the preferred host/fiscal agent for the CHQC because of its:
  – Experience and positive reputation as a neutral convener for a broad-based coalition of stakeholders
  – Measurement and Reporting Experience and in-house expertise
  – History and commitment to consumer engagement
  – Consumer, payer and provider engagement of MHQP Board and Councils is well aligned with CHQC stakeholders and leaders
Role of Executive & Membership Committees

• Executive Committee: Set the overall Direction of the CHQC, advise staff on priorities, initiatives funding strategies and governance, select co-chairs and Executive Director

• Membership Committee: advise on recruitment of additional members, recruit and orient new members, advise on participation options for non-members
Financial Plan

• Adequate financial support for the chosen mission and scope will be challenging

• Budget assumptions are for the full scope of work
  – Advocacy, Measurement, Delivery System Redesign, Family-Provider Partnerships
  – Leaner staffing than CHIPRA grant levels and support

• Revenue from members and fundraising in year 1; additional grants for projects in year 2 and later
K. Weill Consulting Group engaged as of August 2014 to support CHQC

- Development Plan Goal: $275k year 1 and then $400k per year to cover core operations and reduce pressure on membership contributions
- Assume development funding stream starts in June 2015
- Assume member contributions available February 2015 for cash flow bridge
Member Contributions

Principles

• All members contribute
• Larger contributions expected from payers and providers that have revenue related to pediatric care and most likely to receive higher financial benefit from CHQC efforts
• Payments should be reasonably proportional to market share, total revenue, or an applicable metric
• A maximum and minimum will be incorporated into the dues schedule, which will establish tiers by stakeholder group
Structure for Requested Contributions

<table>
<thead>
<tr>
<th>Category</th>
<th>Member Contributions Range</th>
<th>Total Projected Income from Member Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payer Organization</td>
<td>$2,500 – $25,000</td>
<td>$50,000</td>
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<tr>
<td>*Includes MassHealth</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provider/Network Organization</td>
<td>$2,500 – $25,000</td>
<td>$65,000</td>
</tr>
<tr>
<td>Professional Organization/Associations</td>
<td>$500 – $2,500</td>
<td>$28,500</td>
</tr>
<tr>
<td>Public Agencies</td>
<td>$500 – $2,500</td>
<td>$5,000</td>
</tr>
<tr>
<td>Community/Service Agencies</td>
<td>$500 – $1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Schools/Research Orgs</td>
<td>$500 – $1,000</td>
<td>$5,500</td>
</tr>
<tr>
<td><strong>Total Projected Income:</strong></td>
<td></td>
<td><strong>$155,000</strong></td>
</tr>
<tr>
<td><strong>Gap for Fundraising Target</strong></td>
<td></td>
<td><strong>$255,000</strong></td>
</tr>
</tbody>
</table>

Assumes only current members asked for dues year 1

Assumes annual budget core ops $410,000
What We Need from Members

• Confirmation of your interest and intent to participate in the coalition after the grant ends
• Help with fundraising requests as we find suitable foundations to ask for support
• Requests for contributions from your organization
Timetable for Implementing Sustainability Plan

• October 2014
  – Outreach to individual representatives about future participation and financial support for CHQC
  – Continue development of fundraising proposal and implementation plan
  – Develop and review fiscal sponsorship agreement

• November
  – Preliminary assessment of financial sustainability w/Executive Committee

• December 2014-February 2015
  – Ongoing sustainability implementation or wrap-up plan

• February 2015: Final grant funded CHQC Meeting
Any Questions?