



# NWD SYSTEM: BUSINESS CASE TOOLKIT

Section 3: Developing a Compelling Value  
Proposition



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## Section 3. Developing a Compelling Value Proposition

### Overview



Developing a compelling value proposition is instrumental in engaging a potential partner. A compelling case is one that demonstrates an ROI, such as improvement in operational, clinical, and or financial performance. The following sections provide guidance and tools for developing a compelling value proposition.

#### Snapshot from the 2019 NWD Grantee Business Case Collaborative:

##### Drafting a Value Message

New Hampshire’s pitch, directed towards the NH Department of Health and Human Services Commissioner, used data to highlight the state’s needs and point to the NWD System as the solution:

*“Currently in NH, one third of our population is aged 65 or older, and NH is the second fastest aging state in the nation. We see a growing trend in the need for LTSS for our population.*

*“We have a strong foundation here already through NHCarePath The core of NHCarePath is our Aging and Disability Resource Centers, ServiceLink, which services all populations and payers and is the entry point of our NWD System. ServiceLink was recently ranked by AARP as the second strongest aging and disability resource network in the country. However, we are ranked as the 50<sup>th</sup> state in the country in Medicaid spending for LTSS; 86% of our Medicaid LTSS spending is on institutional care, and only 14% is on Home and Community Based Services.*

*“NH CarePath needs more resources to support people who live in their homes and reduce expensive Medicaid dollars being spent on unwanted and unneeded institutional care.”*

### Do This!

#### Step 1. Identify the NWD Service Value to Potential Partners



In Section 2, you were encouraged to complete an environmental scan of your marketplace and potential partners within your local, state, and federal networks. The goal of the environmental scan was to identify potential partners – both those previously on your team’s radar and those you had yet to identify. In particular, the [External Assessment](#) and [Opportunity Assessment](#) began to help you to identify partner “pain points” and marketplace trends (past, present, and future) that could inform your engagement approach. Understanding your potential partners’ pain points can help your team identify the specific services to offer, as well as the best messaging for communicating the services’ value.

Below are some questions to consider when developing your “**Value Add**” message. A “Value Add” message, or “value proposition” should demonstrate how your state’s NWD System can help generate positive outcomes important to your target audience and relieve their pain points.

- What are your potential partner’s areas of strength?
- In what areas is the partner in need of improvement?

- How are they currently addressing their challenges?
- How is what you offer different than what they already have or can get from somewhere else?
- What is the solution to the partner’s problem?
  - How does the NWD System or proposed intervention positively impact the pain point?
- What are the partner’s primary goals?
  - How does what you offer align with what they the partner wants or needs to address?
  - What are they likely to think about your solution?
- What measurements does the partner need or want to track?
  - How could you convince the partner that your program would improve the applicable measures, either through data or participant feedback?
  - If you don’t have the data you need, what are some potential ways you could obtain it?

Your “Value Add” message will vary based on which potential partner you are targeting as your audience. For example, if the NWD System needs to strengthen the support of the state Medicaid agency, the “value add” may include increasing early, streamlined access to Medicaid HCBS to prevent costly institutional care. As illustrated in **Exhibit 2**, the key points in a “Value Add” message for hospital care transitions services differ depending on whether the audience is an individual, a hospital, or a state legislator. Differences will also appear when crafting “Value Add” messages for various entities of the same type (e.g., different hospitals within the state or legislators with different priorities). It is important to tailor your message to each audience’s specific needs and priorities.

**Exhibit 2: Examples of Value Propositions for Different Audiences for Hospital Care Transitions**

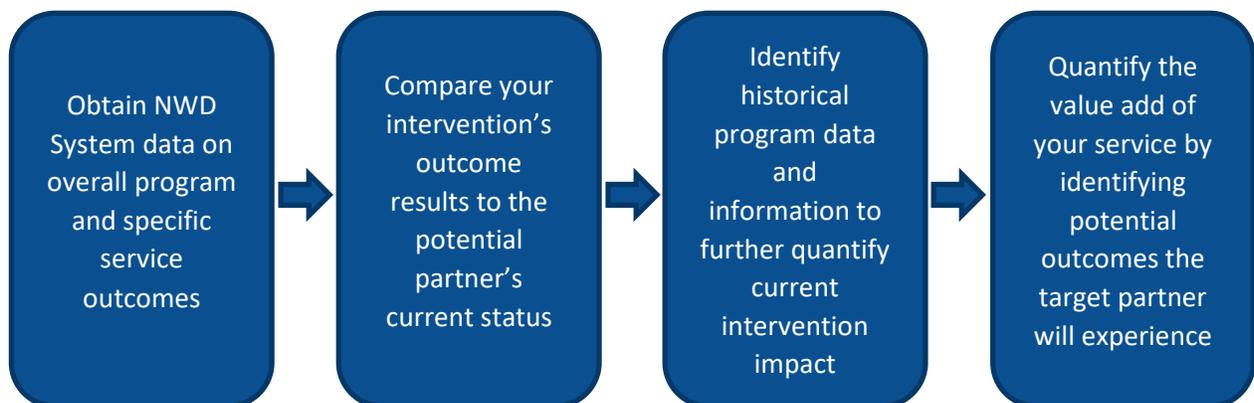
Value Add for an Individual	Value Add for a Hospital	Value Add for a State Legislator
<ul style="list-style-type: none"> <li>▪ Supports person’s preferences and individual goals</li> <li>▪ Fosters coordinated care</li> <li>▪ Provides connections to appropriate services and supports following a hospital stay</li> <li>▪ Prevents avoidable hospital readmissions</li> <li>▪ Reduces costs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improves quality scores and patient satisfaction</li> <li>▪ Reduces readmission penalties</li> <li>▪ Reduces avoidable post-discharge emergency department use</li> <li>▪ Reduces burden on hospital staff</li> </ul>	<ul style="list-style-type: none"> <li>▪ Meets the long term services and supports needs of constituents</li> <li>▪ Reduces health and social service costs supported through state revenue</li> </ul>

Use the Value Add Template located in [Appendix I](#) to organize information needed to clarify your “Value Add” message and determine how your value proposition varies by partner and leads to unique communications and messaging.

### **Step 2. Quantify the NWD Service Value to Potential Partners**

Combining data and results into your “Value Add” message will help communicate the magnitude of the problem as well as your proposed intervention’s potential impact. Ideally, you will share either your own program data for a similar intervention or partnership, or another program’s data for a similar population as the one your intervention targets. If you share data for a non-similar population, it is okay to acknowledge this limitation and describe how you will adapt current processes to achieve similar results with a different population. For example, many states have built strong NWD System partnerships between the state Medicaid agency and aging and disability agencies by demonstrating and quantifying how local aging and disability organizations can streamline access to the Medicaid program via outreach, education, and application assistance.

#### **Exhibit 3. Demonstrating Value Add of Your Services**



When collecting data, you should pull from multiple sources. The following data sources may serve as a starting point to identify data necessary to support your data collection and value proposition development efforts:

- Internal program data
  - Consider your audience when presenting various types of data. For example, state legislators may be specifically interested in regional- or local-level data.
- Personal stories (participant, provider, family member, similar partner, etc.)
- Other publicly available data
- NWD System reference documents (See [Appendix Q](#)):
  - State Evaluations, Reports, and Websites
  - Program Specific Reports and Papers
  - Problem Statement Information

- Personal Stories
- National Resources, Reports, and Evaluations
- Data Information
- Hospital-specific data measures to identify strengths/weaknesses
  - [HEDIS Measures](#)
  - [ACO Quality Measures](#)

The table in [Appendix L](#) can help you identify and organize compelling data elements.

### **Step 3. Identify the “Ask”**

Your “Ask” is the mutually beneficial arrangement you are proposing. As you build your business acumen, it will be easier to reach out and engage potential partners. Not only will you have more comfort in communicating about your program but you will also have greater understanding of the role your partner will play within the larger business plan (discussed more fully in [Section 8](#)). During your environmental scan process, you hopefully gained sufficient insight into your potential partners’ work to develop a clear and informed “Ask.” The “Ask” must be informed by data and reiterate the value add of your partnership. When possible, the “Ask” should be quantifiable (e.g., how many referrals are you requesting? How much additional funding per year?). For example, if your NWD System wants to grow its Medicaid investment, the initial “Ask” may include a meeting to discuss establishing a Medicaid administrative claiming structure for NWD System partners.<sup>1</sup>

#### **Snapshot from the 2019 NWD Grantee Business Case Collaborative:**

##### **Using Data to Highlight Pain Points**

During the Business Case Collaborative, all ten grantees identified “**wow**” factors\* from sources such as program data, consumer satisfaction surveys, personal stories, and national data. During this exercise, Washington highlighted pain points using national data and pointed toward the NWD System Care Transitions intervention as a solution:

*“In 2013, the national average cost of a hospital readmission for those age 65 and older was \$13,800, 5.3% higher than the cost of the initial hospital visit. Total annual costs for hospital readmissions in 2011 totaled \$41.3 billion, and Medicare costs alone totaled \$24 billion. Our Bridge Care Transitions Service is a person-centered intervention that can support and assist transitional care needs for people over 60 years old who are discharging from the hospital. As a result, this service decreases the likelihood of individuals’ costly hospital readmissions.”*

\*A “**wow**” factor is a compelling data point or personal story that clearly shows the impact of your services and propels your audience towards partnership.

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<sup>1</sup> See the ACL website for additional information and tools: <https://nwd.acl.gov/sustaining-a-nwd-system.html>

## Snapshot from the 2019 NWD Grantee Business Case Collaborative: Creating a Strong “Ask”

Oregon’s state representative noted, *“As we participated in the Collaborative process to develop our value proposition statement, we realized that although we had successfully demonstrated the value of our services as a selling point for our infographic, we hadn’t identified an “Ask” as part of our messaging. So, we added in some key data points and created additional messaging to show that while we’re providing a valuable service, the demand for our service is increasing due to the rapid growth of our aging population. In order to keep up with demand it is critical that our funding level also increase.”*

Wisconsin’s pitch ended with a similar request, driving home the “Ask” with the following statement: *“Since 2016, ADRCs have experienced a 22% increase in customers and no longer have the capacity to meet the increasing demand. The investment needed to expand and enhance ADRC services will save money in the future while making Wisconsin a place where older adults and adults with disabilities can thrive.”*

Connecticut took a different yet equally compelling approach – beginning the pitch with the “Ask”: *“We are here today to ask the VA to expand the Veteran Directed Care program so that Veterans seeking services through community-based services will have the option of self-directing their care through this program. This expansion will ensure our increasing older adult Veteran population in Connecticut will have access to both cost-effective and Veteran-focused care.”* This set the tone for the entire pitch and helped the audience focus on the request as Connecticut provided additional data and detail to support the “Ask”.

### Step 4. Draft Your Value Message

Finally, draft a value message that incorporates the information you identified and decisions you made in Steps 1, 2, and 3 – a concise statement of your “Value Add”, supported by compelling quantitative and/or qualitative data, and a clear “Ask”. You may choose to start with a simple elevator pitch. After you create a clear elevator pitch, you can construct messaging tools, such as infographics or pitch decks that expand on what you offer to address the partner’s pain points. Use the strategies shared in [Section 6](#) to create a message compelling for your target partner. Examples of marketing tools developed through the Business Case Collaborative are included in [Appendix P](#).

[Appendix J](#) provides several templates for constructing elevator pitches, while [Appendix K](#) guides you to further expand on your pitch.

### Additional Resources



- [Managed and Integrated Care Bootcamp: Packaging Your Services: Telling Your Value Story](#): This interactive session helps organizations develop their story and package their “products” to help them get noticed by healthcare payers and share the value of addressing patients’ social service needs.
- [Expert Insight: Defining Your Value Proposition](#): In this video, the Chief Strategy Officer at the Elder Services of the Merrimack Valley shares best practices for developing a value proposition for marketing to potential healthcare partners.

- [Cross-Sector Partnerships: Incentives for Hospitals and Health Systems](#): This guide highlights challenges and healthcare policies that influence hospital operations, which can help CBOs identify potential partnerships and their pain points.
- [Understanding the Incentive and Strategies for Health Systems to Engage in Cross-Sector Partnerships Webinar](#): Cross-sector partnerships between healthcare and CBOs are an effective strategy for improving population health and wellbeing. This web seminar provides information on how to identify potential hospital and health system partners. The session also provides guidance on how to better understand health system challenges and develop a compelling case for partnership.
- [Choosing the Best Strategic Partners and Collaborators: How Community-Based Organizations Bring High Value to the Healthcare Sector PowerPoint](#): This presentation demonstrates the benefits of working with CBOs and highlights the value they bring to the healthcare sector.
- [Medicaid Administrative Claiming Tool](#): This PowerPoint presentation is part of ACL's Medicaid administrative claiming toolkit. It specifically targets engagement of state level partners, such as the Medicaid agency, State Unit on Aging, fiscal and policy staff, or other partners in the NWD System.