As the state moves toward a value-based payment system, New York human services nonprofits that want to form relationships with health care providers have been limited by their own technology, the complexities of contracting and their ability to take on financial risk, according to a new report from the Human Services Council.

To encourage integration of the community based organizations and health care providers, the report recommended that the state help bridge the technology divide that impedes data sharing, review regulations that make it difficult for community-based organizations to partner with providers and health plans and standardize contract language to make it easier for these nonprofits to enter value-based contracts, among other things.

Community-based organizations should be part of health care providers’ efforts to lower health care costs given their influence on the social determinants of health—such as access to food, transportation and housing—said Allison Sesso, executive director of the Human Services Council. But most of these nonprofits' revenue comes from government sources, and they aren't equipped to face the penalties that some value-based contracts include, she said.

"This an evolution," Sesso said during a panel discussion hosted by the United Hospital Fund. "The nonprofits in their current state mostly cannot take on risk because of their thin margins."

LaRay Brown, CEO of Interfaith Medical Center, said she's sympathetic to the tight budgets of community-based organizations, but because Interfaith is a safety-net hospital facing its own financial difficulties, she's not in a position to offer support.

"The folks sitting in front of me have no money, and I have no money. But we have a will. From my perspective, perhaps there needs to be [a] fund that could seed that relationship," Brown said. "There's a necessity to recognize that collaborations cost."

Brown said Interfaith has recently been working with churches, asking clergy to mention the importance of flu immunizations in their Sunday sermons, with Interfaith staff available after services to administer shots.

"In terms of contractual relationships, where the money is flowing, we haven't gotten there yet," she said.

Brown, who is also the CEO of the One Brooklyn Health System, said that the network has incorporated federally qualified health centers into its plan to build an ambulatory care network with $210 million from the state. She said she hopes to rent space within those clinics to community-based organizations. The Greater New York Hospital Association and the New York Academy of Medicine also recently published a report on collaborations between health care providers and community-based organizations.
Margaret Crotty, executive director of Partnership with Children, which provides counseling in city schools, said her organization has the data that can help providers and health plans prevent costly hospitalizations.

"My kids are the ones who go to the emergency room for asthma, and I can tell you how many times they go. But I don't know what to do with that information," she said.

Crotty said Partnership with Children hasn't entered any value-based contracts with providers.

"Are we prepared in terms of having a will? Absolutely," she said. "In fact, we don't actually see many other ways forward. But we would need to have some capital investment."