



2012 ANNUAL REPORT

AGING WITH DIGNITY:
ADVANCING CHOICE AND INDEPENDENCE
THROUGH SYSTEM TRANSFORMATION



AGING WITH DIGNITY: ADVANCING CHOICE AND INDEPENDENCE THROUGH SYSTEM TRANSFORMATION

MISSION

The SCAN Foundation's mission is to advance the development of a sustainable continuum of quality care for seniors.

VISION

The SCAN Foundation's vision is a society where seniors receive medical treatment and human services that are integrated in the setting most appropriate to their needs and with the greatest likelihood of a healthy, independent life.



ANNUAL REPORT 2012

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70% of Americans who reach age 65 will need some form of long-term care for an average of three years.





MESSAGE FROM THE BOARD CHAIR AND PRESIDENT & CEO

Welcome to our 2012 Annual Report. Throughout the year, The SCAN Foundation focused intensely on building a solid platform for long-term services and supports system transformation in California and throughout the country. In our strategic plan, we set out three funding priorities that defined our work:

- Raising public awareness and engagement;
- Advancing realistic policy options around financing and delivery system reform; and
- Bringing promising programs to scale.

Reimagining how to meet the needs of older adults is critical to realizing these goals. Research shows that Americans do not understand the obstacles that they will face and are shockingly unprepared for their care needs as they age. Through the Foundation's ongoing public awareness and engagement work, we again commissioned our annual poll of California voters, released mid-year. Findings revealed that Californians misunderstand how long-term care is paid for and the majority of Californians cannot afford more than three months of nursing home care or six months of care in the community. The 2012 poll oversampled Latinos and found that this community faces even greater challenges, with less than three months of savings in reserve for future care needs.

California represents a microcosm of the challenges faced by the nation as a whole. While the state provides more home- and community-based services than other states on average, these services are highly siloed with little care coordination, putting great pressure on individuals and families to figure out a confusing “non-system” of care and services. Governor Jerry Brown’s administration and the state legislature sought to improve this arrangement through passage of California’s Coordinated Care Initiative (CCI). The CCI fundamentally seeks to leverage the purchasing power of Medicare and Medicaid in innovative ways to improve both the quality and efficiency of health care for vulnerable older adults and people with disabilities. Given that 70 cents of every dollar spent on vulnerable older Californians comes from federal programs, we continued to target specific opportunities to improve those programs for the people of our state. For example, the Foundation has strongly advocated for the development of uniform assessment tools, which were later included in the CCI.

The Foundation’s work also contributed to California receiving approval from Centers for Medicare and Medicaid Services (CMS) to launch a substantial pilot program to better integrate care for those dually eligible for Medicare and Medicaid. As part of the CCI, this pilot will affect more than 400,000 people in eight counties, representing the most important opportunity in the last 50 years to transform the lives of vulnerable older Californians. The work is multifaceted, complex, and will take time and patience to fully realize. However, we see this as a mechanism to transform care to be more organized so that older adults can age with dignity and independence.

CCI proposes sweeping changes in the way care will be delivered. The Foundation identified a critical gap in public discourse about these proposed changes and felt that community leaders, advocates, and stakeholders needed to be engaged both in Sacramento and at the local level. To respond to this significant need the Foundation fostered the “Community of Constituents,” supporting leadership and structural dialogue at each level.

In Sacramento, the California Collaborative is recognized both by State and CMS officials as an important partner, sounding board, and watchdog working to ensure that the state’s efforts have the highest likelihood of delivering more coordinated, person-centered care at lower costs. At a local level the Foundation supported the growth and development of 12 Regional Coalitions covering 25 counties representing 43 percent of the State – each of the Coalitions has made substantial contributions to their respective communities. Lastly, our AGEnts for Change grants program has helped direct service delivery organizations train volunteers to engage in social action to address needs in their communities. These efforts culminated with our second annual Long-Term Services and Supports Summit in Sacramento, which drew more than 300 thought leaders from across the state. Taken together, the Foundation’s Community of Constituents and our annual Summit have played an important and growing role in creating a voice for the needs of older Californians.

At the delivery system level, the Foundation continued its work to advance Dignity-Driven Decision-Making (DDDM) – an initiative to identify and champion cutting-edge models of care that support a person-centered approach for people with serious medical problems and functional limitations. We are particularly proud that one of our DDDM grantees, Sutter Health’s Advanced Illness Management (AIM) Program, was awarded a \$13 million CMS Innovation Grant to expand the scale of their program. This year we launched a new initiative to help community-based organizations re-imagine their services by partnering effectively with health care plans through emerging market opportunities, such as duals integration pilot projects and the Accountable Care Organizations. This initiative, called Linkage Lab, will work with six community-based organizations throughout 2013, and we will share lessons learned next year.

Looking forward, 2013 will be a year of continuing support for projects along these current lines and reflecting on our efforts to date as our founding five-year strategic plan comes to a close. Over the next year, we will review our progress and evaluate how to best champion continued system transformation for vulnerable older adults in bold, catalytic, and impact-oriented ways.

Sincerely,



COLLEEN CAIN
CHAIR OF THE BOARD



BRUCE A. CHERNOF, M.D.
PRESIDENT AND CEO

INITIATIVE: COMMUNITY OF CONSTITUENTS IN CALIFORNIA

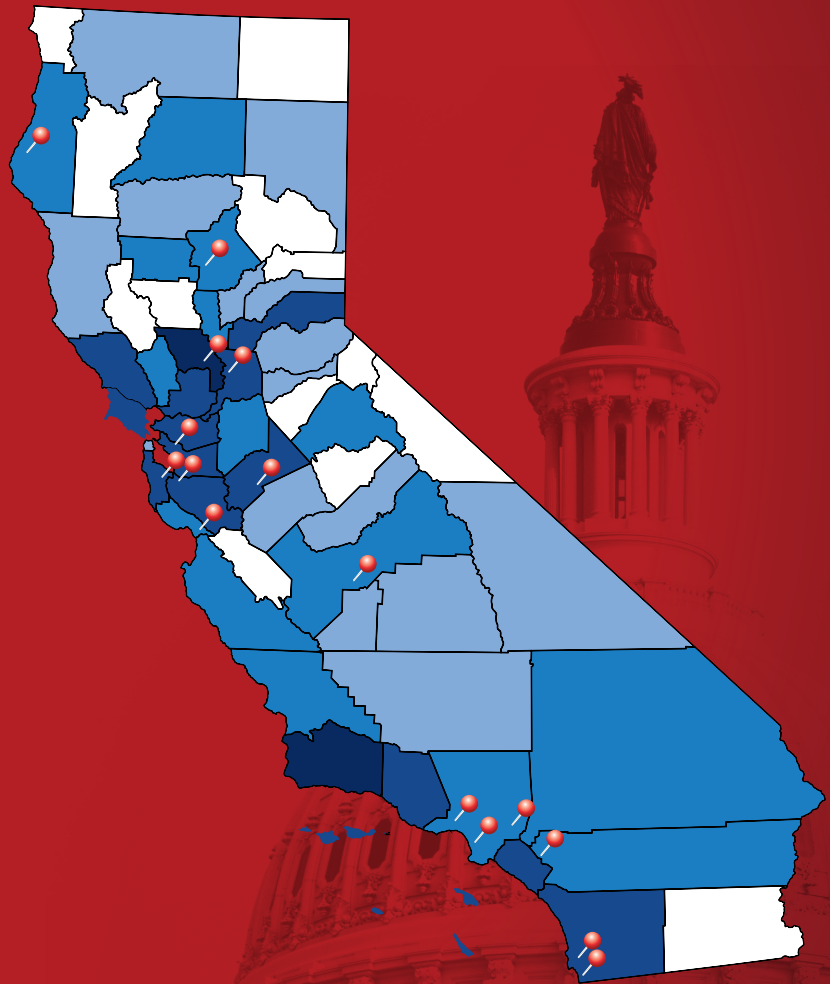
The Community of Constituents initiative is comprised of work from the Foundation's three funding priorities: public engagement, policy solutions, and promising programs. The overall goal is to build a statewide movement to transform the system of care so that all Californians can age with dignity, choice and independence. Well over one hundred organizations are working at the local, regional, and state-wide level representing millions of California seniors.

See a full list of participating organizations in the Community of Constituents.

Statewide - Consumer and provider organizations are working together as the California Collaborative for Long-Term Services and Supports (CCLTSS) to advance policy options that improve the system of care for older adults and adults with disabilities.

Regional - Twelve regional aging and disability service and advocacy coalitions representing 48% of California counties, each consisting of numerous local service organizations, are working to improve both quality and access to care for older adults and adults with disabilities.

Local - A diverse network of community-based organizations are working to engage their volunteers, caregivers and others to be AGENTS for Change by participating in social action to improve the care older adults receive.





GRANTS AND INITIATIVES

FUNDING PRIORITY 1: PUBLIC ENGAGEMENT

In 2012, The SCAN Foundation continued to prioritize public engagement around transforming long-term care in California and nationally through a number of strategic partnerships and initiatives. The Foundation released its third annual poll of California voters in partnership with the UCLA Center for Health Policy Research to measure knowledge and attitudes across the state around aging and long-term care issues. The Foundation also held its second annual LTSS System Transformation Summit in Sacramento, which attracted more than 300 attendees from across the state representing stakeholders, advocates, legislative staff, administration staff and media.

Furthermore, the Foundation launched a new media partnership with National Public Radio (NPR) to provide ongoing, nationwide coverage of aging and long-term care in order to increase public awareness and engagement around these issues. In California, the Community of Constituents initiative served to bridge advocates for seniors with advocates for individuals with disabilities in their efforts to transform the state's system of long-term care while also engaging stakeholders and consumers in the process.

AGING WITH DIGNITY BEAT – PHASE II

HEALTHYCAL.ORG (The Tides Center)

\$75,000

12 months

This grant funded continued media coverage of aging and long-term care issues in HealthyCal.org’s “Aging with Dignity” beat. These articles serve to educate Californians about important program issues at the state and community level.

AGING AND LONG-TERM CARE BEAT

NATIONAL PUBLIC RADIO, INC. (NPR)

\$400,000

24 months

This grant supported the creation of an aging and long-term care news desk at NPR.

ANALYSIS OF LONG-TERM SERVICES AND SUPPORTS USAGE FOR MEDICAL/MEDICARE BENEFICIARIES OF EIGHT CALIFORNIA COUNTIES SELECTED FOR DUAL ELIGIBLE INTEGRATION DEMONSTRATION

REGENTS OF THE UNIVERSITY OF CALIFORNIA – CALIFORNIA MEDICAID RESEARCH INSTITUTE (CAMRI)

\$46,546

6 months

CAMRI evaluated the characteristics of beneficiaries, their service use, and associated Medicare and Medicaid costs of those who used long-term services and supports in the eight California counties selected to be the sites for the Dual Eligibles Integration Demonstration, known as Cal MediConnect.

BRIEFING SERIES: HEALTH CARE SPENDING AND HOW TO MANAGE IT INTELLIGENTLY

ALLIANCE FOR HEALTH REFORM

\$74,934

5 months

The Alliance for Health Reform organized a three-part briefing series to educate legislative staff, media, and other stakeholders dealing with health care spending issues to explore options for bending the health care cost curve. This series was co-funded with Ascension Health, Blue Cross/Blue Shield, the California HealthCare Foundation, The Commonwealth Fund, and Kaiser Family Foundation.

LONG-TERM CARE POLL OF CALIFORNIA VOTERS

LAKE RESEARCH PARTNERS, INC.

\$44,050

2 months

Lake Research Partners conducted a California-wide survey of 1,200 registered voters 40 years and older on attitudes toward issues regarding long-term care. This project was the Foundation's third annual poll to evaluate preparedness of California voters for future care needs.

LONG-TERM CARE PUBLIC AWARENESS CAMPAIGN

ROGERS FINN PARTNERS

\$63,000

5 months

Rogers Finn developed a comprehensive communication and awareness campaign blueprint to engage seniors, family caregivers, the media, and policy makers in transforming the current system of long-term services and supports.

LONG-TERM SERVICES & SUPPORTS TRANSFORMATION SUMMIT

GOVERNMENT ACTION & COMMUNICATIONS INSTITUTE (GACI)

\$109,934

10 months

GACI provided logistical and event management support for the Foundation's 2nd Annual LTSS Systems Transformation Summit held on September 18, 2012 at the Sacramento Convention Center. The Summit aimed to elevate long-term care issues among various stakeholders while supporting champions for long-term care.

POST SUPREME COURT DECISION CONFERENCE AND PUBLISHING

PROJECT HOPE: THE PEOPLE -TO-PEOPLE HEALTH FOUNDATION, INC./HEALTH AFFAIRS

\$15,000

6 months

This grant supported a briefing about the Patient Protection and Affordable Care Act (ACA) in anticipation of the Supreme Court's ruling on its constitutionality, as well as the production of a Health Affairs journal article about the content of the briefing. The briefing and article discussed how the Supreme Court's decision might impact delivery system reform, which directly affects older adults and the long-term care system.

RAISING EXPECTATIONS: A STATE SCORECARD ON LONG-TERM SERVICES AND SUPPORTS FOR OLDER ADULTS, PEOPLE WITH PHYSICAL DISABILITIES, AND FAMILY CAREGIVERS, 2014 UPDATE

AARP FOUNDATION

\$393,965

29 months

This grant to the AARP Foundation will produce the second State Long-Term Services and Supports (LTSS) Scorecard slated for release in 2014. The initial Scorecard was launched in September 2011, ranking states on 25 indicators across four domains of a high-performing LTSS system. This project is co-funded with The Commonwealth Fund.

THE CARE SPAN: PHASE II

PROJECT HOPE: THE PEOPLE -TO-PEOPLE HEALTH FOUNDATION, INC./HEALTH AFFAIRS

\$488,920

24 months

Health Affairs is the nation's premiere journal addressing health-related issues from a national policy perspective. Under this grant, Health Affairs continued to publish its "Care Span" series of articles exploring long-term care issues over a 24-month period. Articles are made available to the public free of charge via web links on The SCAN Foundation's website. Health Affairs briefings highlight articles periodically.

WASHINGTON D.C. BRIEFING ON LONG-TERM CARE FINANCING PAPERS

GYMR

\$65,000

5 months

GYMR provided event planning and production services for a briefing held in March 2013 in Washington, DC. The briefing coincided with the release of a series of long-term care financing papers commissioned by the Foundation, and was held at the National Press Club. GYMR provided all planning and logistics support and services.

FUNDING PRIORITY 1 PROJECT SPOTLIGHT: NEW MEDIA PARTNERSHIP - NATIONAL PUBLIC RADIO (NPR)

Effective communication and public engagement efforts are critical components of the Foundation's work toward transforming the nation's system of long-term care. Telling the story of why an overhaul of the current continuum of care is needed while building public support for change drive our proactive engagement with both traditional and new media partners. In 2012, the Foundation entered into a two-year partnership with NPR to create a new "aging and long-term care" desk to explore important issues related to aging in America.



The Foundation considers it essential that long-term care and continuum of care issues continue to be elevated as critical needs among older Americans. In order to prevent these issues from being lost in the clutter of the 24-hour news cycle it is imperative that a regular focus is placed on these topics in a variety of media sources. To that end, NPR's aging and long-term care desk provides in-depth coverage of aging issues. Through this initial two-year partnership, a

dedicated NPR correspondent covers long-term care issues and will produce a total of 100 news stories. These

stories air on NPR's signature programming (e.g.,

Morning Edition, All Things Considered, Talk

of the Nation) and through its nearly 1,000

member stations across the country that

reach 33.7 million listeners each week. In

California, a total of 3.7 million listeners

tune in each week to NPR's programming,

through a network of more than 20

member and non-member stations across the state. This reach is vital in ensuring

the success of the Foundation's public

awareness efforts in the state, particularly given the audience's high propensity for

following up on issues examined by NPR.





FUNDING PRIORITY 2: POLICY SOLUTIONS

In 2012 the Foundation accomplished much toward the aim of creating a more person-centered system that integrates medical care and supportive services. Both nationally and in California, the Foundation focused on the great progress made toward the development and implementation of integrated models of care for those eligible for both Medicare and Medicaid. In California, the Foundation focused its efforts on supporting the successful implementation of the CCI, which includes a demonstration to test models of integrating medical and supportive services for dual eligibles in a managed care environment. The Foundation also provided technical assistance to the state by funding the Center for Health Care Strategies to help develop the state's proposal to the Centers for Medicare and Medicaid Services for the CCI and prepare for implementation at the state and local levels.

The Foundation released publications on core features of the CCI, provided comment on key policy documents released by the California Department of Health Care Services, and offered a vision of success through a series of articles, including a feature in Health Affairs that summarized the "Five Pillars of System Transformation" critical to achieving long-term care reform: 1) administrative reorganization; 2) global budgeting; 3) uniform assessment; 4) integrated information systems; and 5) quality monitoring and improvement. A notable feature of the CCI statute was the call for a uniform assessment tool for home- and community-based services – a central component of system transformation.

CALIFORNIA COLLABORATIVE FOR LONG-TERM SERVICES AND SUPPORTS

GOVERNMENT ACTION AND COMMUNICATIONS INSTITUTE (GACI)

\$419,496

21 months

This grant continued funding for an active and cohesive group of consumer-oriented stakeholders from the aging and disabilities communities, known as the California Collaborative. The Collaborative seeks to engage a multitude of stakeholders at the state level by creating a network that provides a united voice for person-centered care and long-term care reform in California. GACI serves as the logistical and communications home for the Collaborative.

HELPING OLDER ADULTS MAINTAIN INDEPENDENCE THROUGH WORKABLE OPTIONS (HOME TWO)

UCLA CENTER FOR HEALTH POLICY RESEARCH

\$274,986

18 months

This qualitative research project interviewed a selection of older adults who were dually eligible for Medicare and Medi-Cal, using In-Home Supportive Services, and dependent upon a family member to construct their care network. The project documented how these individuals and their families pieced community-based care together, in light of service reductions or eliminations that resulted from the California budget crisis. The project also documented the transition into managed care under California's new duals demonstration and how this changed long-term care from the previous organizational arrangement of Medi-Cal long-term care.

IMPLEMENTING THE PROFILES OF STATE INNOVATION ROADMAPS: EXTENDING INNOVATIONS IN LONG-TERM SUPPORTS AND SERVICES

CENTER FOR HEALTH CARE STRATEGIES

\$74,926

6 months

In 2011, the Implementing the Profiles of State Innovation Roadmaps project funded CHCS to assist a group of "shovel-ready" states to implement reforms as outlined in the Roadmap series. This extension project allowed CHCS to carry on the work with a number of states that are the actively interested in transforming their system of care for dual eligibles but do not have design contracts from CMS.

LONG-TERM CARE FINANCING SERIES

UNIVITA, INC.

\$25,550

9 months

FORBES CONSULTING

\$13,490

9 months

PRESIDENT AND FELLOWS OF HARVARD COLLEGE

\$60,000

9 months

NATIONAL ACADEMY OF SOCIAL INSURANCE

\$59,926

9 months

These grants funded the production of a series of briefs for the Foundation's Long-Term Care Financing series. These briefs described the current landscape of long-term care financing and outlined a set of policy proposals and options to improve and sustain long-term care financing.

LOCAL/REGIONAL COALITIONS PHASE II:

The SCAN Foundation's Community of Constituents initiative consisted of four parts:

- a. The Sacramento-based California Collaborative
- b. Engagement of 12 local/regional coalitions
- c. The Foundation's AGEnts for Change projects
- d. The Consumer Voice grassroots advocacy network.

The following 12 Regional Coalitions were funded to support long-term care system transformation at the county and local levels.

AGING SERVICE COLLABORATIVE OF SANTA CLARA COUNTY

FISCAL AGENT: HEALTH TRUST

\$35,000

18 months

BAY AREA SENIOR HEALTH POLICY COALITION

FISCAL AGENT: ON-LOK, INC.

\$5,000

18 months

DISABILITY ACTION NETWORK

FISCAL AGENT: INDEPENDENT LIVING SERVICES OF NORTHERN CALIFORNIA

\$5,000

18 months

ELDER ABUSE PREVENTION ROUNDTABLE

FISCAL AGENT CENTRAL CALIFORNIA LEGAL SERVICES, INC.

\$5,000

18 months

LOS ANGELES AGING ADVOCACY COALITION

FISCAL AGENT: ST. BARNABAS SENIOR SERVICES

\$35,000

18 months

ORANGE COUNTY AGING SERVICES COLLABORATIVE

FISCAL AGENT: ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION, ORANGE COUNTY CHAPTER

\$35,000

18 months

SAN DIEGO SENIOR ALLIANCE

FISCAL AGENT: ST. PAUL'S RETIREMENT FOUNDATION

\$35,000

18 months

SAN FRANCISCO LONG-TERM CARE COORDINATING COUNCIL

FISCAL AGENT: SAN FRANCISCO DEPARTMENT OF AGING AND ADULT SERVICES

\$35,000

18 months

SENIOR SERVICES COALITION OF ALAMEDA COUNTY

FISCAL AGENT: ALAMEDA COUNTY MEALS ON WHEELS

\$35,000

18 months

STAKEHOLDER ADVISORY GROUP

FISCAL AGENT: RIVERSIDE COUNTY OFFICE ON AGING

\$5,000

18 months

THE SENIOR COALITION OF STANISLAUS COUNTY

FISCAL AGENT: HEALTHY AGING ASSOCIATION

\$34,985

18 months

YOLO HEALTHY AGING ALLIANCE

FISCAL AGENT: THE ELDERLY NUTRITION PROGRAM OF YOLO COUNTY/PEOPLE RESOURCES, INC.

\$35,000

18 months

LTSS PRE-CONFERENCE: ACHIEVING COST-SAVINGS AND BETTER OUTCOMES IN LONG-TERM CARE

NATIONAL CONFERENCE OF STATE LEGISLATURES (NCSL)

\$50,078

4 months

NCSL planned and executed a half-day preconference session at their Fall Forum in Washington, D.C. on December 5, 2012. The session served as an educational opportunity to a diverse and revolving community of state legislatures, providing basic information on LTSS and best practices in state Medicaid programs related to the delivery of LTSS.

LTSS PRE-CONFERENCE: STATE APPROACHES TO IMPROVING CARE FOR DUAL ELIGIBLES

CENTER FOR HEALTH POLICY DEVELOPMENT/ NATIONAL ACADEMY FOR STATE HEALTH POLICY (NASHP)

\$74,893

9 months

NASHP planned and executed a full-day pre-conference session at their annual meeting in Baltimore, MD on October 15, 2012. Titled, "State Approaches to Improved Care for Dual Eligibles," the session brought together policy and program experts around the country to discuss the most pressing state issues associated with integrating care for this population. A white paper on key themes and state strategies for duals integration was produced based on the pre-conference discussion.

NURSE DELEGATION CONVENING AND POLICY BRIEF

LIFECOURSE STRATEGIES, LLC

\$5,000

6 months

The Foundation, with co-funding from the California HealthCare Foundation, supported an informational convening to explore the potential for expanding nurse delegated tasks in California. A summary memo was produced based on the convening.

PHI STATE DATA CENTER: A VITAL NATIONAL RESOURCE FOR IMPROVING DIRECT-CARE JOBS, AND IMPROVING CARE FOR OLDER ADULTS

PARAPROFESSIONAL HEALTHCARE INSTITUTE (PHI)

\$25,000

12 months

In 2010, the Foundation funded PHI to develop a 50-state web-based tool called the State Data Center that provided up-to-date profiles of each state's direct-care workforce. This project, which was co-funded by CMS, updated and enhanced the content of the State Data Center to include wage and employment information, health coverage estimates, and statistics on the degree to which the direct-care workforce relies on public assistance. PHI also added a new training section to each state profile.

RETHINK CALIFORNIA'S SYSTEM OF SERVICES CONFERENCE

THE RESULTS INSTITUTE

\$10,000

6 months

The Results Institute convened a conference in Sacramento for California state and county staffs to look across programs and populations receiving services and to envision an integrated system of care. The conference brought together policymakers and thought leaders to work toward an integrated, effective and cost-effective system of services in California. The project was co-funded with Sierra Health Foundation, The California Endowment, and the California HealthCare Foundation.

STANDARDIZING THE EXPECTATIONS AND EVALUATION OF INTEGRATED CARE MODELS FOR PERSONS WHO ARE DUALY ELIGIBLE FOR MEDICARE AND MEDICAID – PHASE II

NATIONAL COMMITTEE FOR QUALITY ASSURANCE (NCQA)

\$74,883

8 months

This project developed concepts and preliminary drafts of measures for evaluating integrated care models for dual eligibles and identified relevant survey questions about patient experience and outcomes. A white paper was produced highlighting the findings.

STANDARDIZING THE EXPECTATIONS AND EVALUATION OF INTEGRATED CARE MODELS FOR PERSONS WHO ARE DUALY ELIGIBLE FOR MEDICARE AND MEDICAID – PHASE III

NATIONAL COMMITTEE FOR QUALITY ASSURANCE (NCQA)

\$74,928

5 months

This project tested the feasibility of the structure and process measures of care models that serve individuals eligible for Medicare and Medicaid. Other work included a detailed plan for the adaptation of performance measures for integrated care and dissemination of the white paper produced in Phase II.

FUNDING PRIORITY 2 PROJECT SPOTLIGHT: CALIFORNIA MEDICAID RESEARCH INSTITUTE (CAMRI)

Home- and community-based services (HCBS) are a significant and growing area of service delivery in Medicaid programs. As California pursues the integration of medical and supportive services through managed care for dual eligibles and Medi-Cal-only seniors and people with disabilities, there is heightened need for comprehensive data that describes the needs of the HCBS population, how the programs function, how medical and supportive services interact, and what are the associated costs and program outcomes. Policymakers are looking for alternative approaches to delivering high-quality care that meets consumer needs at lower costs. A major barrier to planning, monitoring, and evaluating HCBS programs has been the complexity of the available information that is often spread across multiple data systems.



The California Medicaid Research Institute created the first-ever integrated database of Medicare and Medi-Cal data for the population using Medi-Cal-funded long-term services and supports in the state. This database brought together Medi-Cal and Medicare administrative data as well as data for nine HCBS programs in the state. The integrated database offers a unique look at characteristics and program spending across the entire care continuum for this population.

In 2012, CAMRI also released the first-ever statewide comprehensive data analysis describing the characteristics and spending associated with Medi-Cal beneficiaries who use home- and community-based services. Evaluating the whole array of long-term care services used by this population helps to identify the most optimal mix of services with the goal of improving outcomes.



FUNDING PRIORITY 3: PROMISING PROGRAMS

In 2012 the Foundation continued its support of promising programs in California that contributed to the development of a sustainable continuum of care for older adults that enables them to thrive in their communities. Highlights included the replication of Geriatric Resources for the Assessment and Care of Elders (GRACE) Team Care, an interdisciplinary team that works with a primary care provider to develop and implement a care plan that results in improved quality of life and reduced utilization of health care services. Through a targeted request for proposals (RFP), three health care entities were selected to replicate GRACE Team Care. As a result of this work, the Foundation seeks to provide further evidence that the GRACE Team Care model is effective in a variety of settings.

Additionally, the Foundation continued its investment in its Dignity-Driven Decision-Making (DDDM) initiative. This work aims to improve quality of life outcomes for older adults with advanced illness by bridging health and long-term care while also achieving cost effectiveness.

Finally, the Foundation selected six grantees to participate in the 2012 Themed RFP titled, “Linkage Lab.” This initiative provided support to community-based organizations, such as senior services organizations, a health district, Programs for the All-Inclusive Care for the Elderly, and an independent living center, to establish contractual relationships with health care providers in their community. These partnerships will help to leverage new funding opportunities for home- and community-based service providers as a result of the movement towards managed care created by health care reform.

BACKGROUND BRIEFS – 2012 THEMED REQUEST FOR PROPOSALS: LINKAGE LAB

HEALTH MANAGEMENT ASSOCIATES (HMA)

\$40,000

3 months

AVALERE HEALTH, INC.

\$50,000

3 months

BENZAJEN, INC. – VICTOR TABBUSH

\$7,000

3 months

The Foundation commissioned several health care consultants to evaluate the potential for health care sector and community-based organization partnerships in California in light of opportunities provided through the Affordable Care Act. HMA, Avalere Health, and Dr. Tabbush produced important background briefs for the Foundation’s 2012 Themed Request for Proposals titled, “Linkage Lab: Preparing Community-Based Providers for Successful Healthcare Partnerships.”

CALIFORNIA’S AGING AND DISABILITY RESOURCE CENTERS – OPTIONS COUNSELING TRAINING

LIFECOURSE STRATEGIES, LLC

\$2,500

1 month

In partnership with the California Health and Human Services Agency, the Foundation co-funded the state’s Aging and Disability Resource Center (ADRC) – Options Counseling training on February 21-22, 2012 in Sacramento. Monique Parrish, the principal of LifeCourse Strategies, provided training on motivational interviewing for ADRC and other community-based organization staff attending the training.

CENTER FOR TECHNOLOGY AND AGING (CTA)

PUBLIC HEALTH INSTITUTE

\$650,000

12 months

CTA is a Center of Excellence with the aim of identifying and rapidly diffusing technologies that hold the promise of improving the quality and affordability of care for older adults with chronic health conditions to maintain their independence for as long as possible. CTA works to scale proven technologies in Medication Optimization, Remote Patient Monitoring, Care Transitions, and through Mobile Health applications (mHealth). This grant provided evaluations, including return on investment (ROI) analyses (co-funded by the California HealthCare Foundation), and a comprehensive selection of web-based tools intended to help care providers throughout the United States implement technologies to improve care outcomes while reducing costs.

COMMUNITY-BASED CARE TRANSITIONS TECHNICAL ASSISTANCE

CHEVES-WAGONHURST, LLC

\$2,500

3 months

In partnership with Health Services Advisory Group and the Hospital Association of Southern California, the Foundation supported a day-long technical assistance training on March 6, 2012. The training supported the completion of applications from selected community-based organizations in California to a Community-Based Care Transitions Program sponsored by the Centers for Medicare and Medicaid Services. In conjunction with this training, a technical assistance summary was developed by Cheves-Wagonhurst, LLC for statewide dissemination.

DEVELOPMENT OF AN INTEGRATED DATA MART

SAN MATEO HEALTH COMMISSION/HEALTH PLAN OF SAN MATEO (HPSM)

\$54,045

30 months

San Mateo County was selected as one of California's eight demonstration counties to implement the dual eligibles pilot, known as Cal MediConnect. HPSM, in partnership with the San Mateo County Health System, Aging and Adult Services, and the Behavioral Health and Recovery Services Divisions, developed an Integrated Data Mart that compiled information on dual eligible beneficiaries usage of preventive, primary, acute, behavioral, long-term care, and home- and community-based care in San Mateo County. Synthesizing this information is a key component of establishing a more integrated and locally-controlled health and social service delivery system.

DIGNITY-DRIVEN DECISION-MAKING (DDDM) INITIATIVE SUSTAINABILITY ANALYSES PROJECT PHASE II

AVALERE HEALTH, INC.

\$358,005

15 months

The Foundation's 2011 Themed Request for Proposals on DDDM consisted of three key elements: a learning collaborative for West Coast providers, sustainability analyses, and the evaluation of patient and family experiences. The specific focus of DDDM was to shift the health care decision-making process towards improved quality-of-health along with quality-of-life, dignity, and self-determination. Under this project, Avalere Health conducted sustainability analyses at two selected sites to determine if these models were financially sustainable and could be brought to scale in California and elsewhere.

DDDM – LEARNING COLLABORATIVE, SUSTAINABILITY ANALYSES, AND PATIENT AND FAMILY EXPERIENCE EVALUATION PHASE II

NEXERA, INC.

\$190,000

15 months

This project supported the second phase of the Foundation’s 2011 Themed Request for Proposals on DDDM. As a key part of this work, Dr. Bruce Vladeck facilitated the West Coast learning collaborative, advised on the sustainability analyses, and assisted in developing patient and family experience evaluation tools.

DDDM PATIENT AND FAMILY EXPERIENCE FOCUS GROUPS

LAKE RESEARCH PARTNERS, INC.

\$35,000

3 months

Lake Research Partners organized a series of four focus groups with patients and families who participated in DDDM models of care to better understand what individuals and families value. Content generated from these focus groups provided the basis for formulating a comprehensive strategy for the Foundation as it pursued the development of care experience evaluation measures.

FORUM ON AGING, DISABILITY, AND INDEPENDENCE

NATIONAL ACADEMY OF SCIENCES - INSTITUTE OF MEDICINE (IOM)

\$70,000

12 months

The IOM developed the “Forum on Aging, Disability, and Independence” to foster dialogue among a wide spectrum of stakeholders with a particular focus on issues of aging, disability, and independence that can be addressed through coordination and integration. The Forum is co-funded by numerous government entities, philanthropy and private sector organizations.

HEALTH REFORM FEDERAL/STATE IMPLEMENTATION PROJECT

GRANTMAKERS IN HEALTH (GIH)

\$20,000

12 months

This grant was a result of engagement with several other health care focused foundations that have an interest in assisting with the implementation of the Patient Protection and Affordable Care Act (ACA). The goal of the “Health Reform Federal-State Implementation Project,” administered by GIH, was to improve communication between federal officials implementing the ACA, research and advocacy organizations that are doing work related to health reform, and foundations that support this work.

HIGHLIGHTS OF THE 2011 ANNUAL CONFERENCE

GRANTMAKERS IN AGING (GIA)

\$15,000

31 months

In collaboration with other aging-focused philanthropies, the Foundation supported GIA's efforts to summarize important program and policy highlights from their annual conferences in 2012, 2013, and 2014. This work includes the production of a comprehensive report that is posted on their website and disseminated to the public.

IMPACT OF A POST-DISCHARGE DEPRESSION INTERVENTION ON 30-DAY HOSPITAL READMISSIONS

JEWISH FAMILY SERVICE OF LOS ANGELES

\$96,505

24 months

This evaluation project studied the impact of a short-term, evidence-based depression intervention at three Los Angeles hospitals on reducing 30-day readmissions for discharged patients who screened positive for depression. This intervention was implemented by Jewish Family Services of Los Angeles in connection with its federally-supported Community-based Care Transition Program grant.

LATINO AGE WAVE

HISPANICS IN PHILANTHROPY (HIP)

\$50,000

24 months

This project sought to build an infrastructure in California for mobilizing Latino community-based organizations and leaders to advocate for Latino older adults around the issues of aging at home, health care, social security, transportation, and safety. This project was co-funded with the Atlantic Philanthropies and the California Wellness Foundation

PAIRING THE CHRONIC DISEASE SELF-MANAGEMENT PROGRAM (CDSMP) FOR LOW-INCOME SENIORS WITH SERVICE-ENRICHED AFFORDABLE HOUSING

MERCY HOUSING CALIFORNIA

\$61,397

18 months

Mercy Housing of California, a housing provider to 2,700 disabled and older adults, implemented the Stanford University evidence-based CDSMP for its residents. The goal of this project was for this population to illustrate better health and quality of life outcomes and reduce their inpatient and emergency room utilization. Mercy Housing aimed to sustain this program by seeking partnerships with the health care sector.

PREPARING COMMUNITY-BASED ORGANIZATIONS FOR SUCCESSFUL HEALTH CARE PARTNERSHIPS (CHP) – PLANNING GRANT

BENZAJEN, INC. – VICTOR TABBUSH

\$11,500

5 months

This five-month planning grant supported the development of the Foundation’s 2012 Themed Request for Proposals, “Linkage Lab: Preparing Community-based Organizations for Successful Health Care Partnerships.” The goal of Linkage Lab was to provide community-based organizations (CBOs) with the necessary training and technical assistance to develop contracts with health care providers to deliver products or services that enable aging with dignity. Victor Tabbush provided selected CBOs with special training.

SCALING THE GRACE MODEL IN CALIFORNIA

INDIANA UNIVERSITY

\$180,000

18 months

This 18-month grant was part of a targeted request for proposals focused on the replication of the Geriatric Resources for the Assessment and Care of Elders (GRACE) Team Care model. Three health care organizations across California were selected to receive training and technical assistance to implement GRACE.

FUNDING PRIORITY 3 PROJECT SPOTLIGHT: DIGNITY-DRIVEN DECISION-MAKING (DDDM)

The SCAN Foundation's Dignity-Driven Decision-Making (DDDM) initiative has the goal of bringing to scale models of care that improve the quality of life for older adults with advanced illness. These models aim to treat individuals as "people" not "patients," focusing on holistic needs that include how and where they want to live while also considering acute care treatment. As a result, individuals and their families become actively involved in the care decision making process.

The Foundation commissioned sustainability analyses to determine if DDDM care models are cost efficient while ensuring high quality. Initial results were positive in showing cost savings, and, as a result of the sustainability analyses, Sutter Care at Home's Advance Illness Management (AIM) model received a \$13 million grant from the federal Innovations Center to support the expansion of its AIM program.

Further research will test the hypothesis that DDDM models of care also lead to greater satisfaction of patients and their family caregivers through qualitative evaluations of model participants.



FINANCIAL STATEMENTS

Statements of Financial Position as of December 31, 2012 and 2011

Assets	2012	2011
CURRENT ASSETS:		
Cash and cash equivalents	\$ 5,874,064	\$ 7,604,072
Investments	183,280,109	179,590,424
Interest and dividend receivables	180,791	425,469
Prepaid expenses and other current assets	11,219	27,102
Total current assets	189,346,183	187,647,067
PROPERTY AND EQUIPMENT — Net	301,627	432,710
INVESTMENTS	313,121	214,637
DEPOSITS AND OTHER ASSETS	16,191	16,191
TOTAL	\$189,977,122	\$188,310,605
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 225,652	\$ 181,976
Accrued payroll and related benefits	503,012	414,507
Grants payable	2,204,602	3,651,944
Due to parent and affiliates	15,391	5,032,946
Total current liabilities	2,948,657	9,281,373
COMMITMENTS AND CONTINGENCIES		
DEFERRED COMPENSATION	313,121	214,637
GRANTS PAYABLE	1,035,229	647,278
Total liabilities	4,297,007	10,143,288
NET ASSETS	185,680,115	178,167,317
TOTAL	\$189,977,122	\$188,310,605

Statements of Activities and Changes in Net Assets for the Years Ended December 31, 2012 and 2011

	2012	2011
NET REVENUES — Investment income	\$ 14,085,827	\$ 9,762,612
OPERATING EXPENSES:		
Grants donation expense	4,753,618	5,468,179
Program expense	4,129,596	4,036,007
General and administrative expense	1,282,323	1,449,014
Depreciation and amortization	131,083	133,106
Total operating expenses	10,296,620	11,086,306
CHANGE IN NET ASSETS FROM OPERATIONS	3,789,207	(1,323,694)
UNREALIZED GAIN (LOSS) ON INVESTMENTS — Net	3,723,591	(11,456,696)
INCREASE (DECREASE) IN NET ASSETS	7,512,798	(12,780,390)
NET ASSETS — Beginning of year	178,167,317	190,947,707
NET ASSETS — End of year	\$185,680,115	\$178,167,317

**Statements of Cash Flows for the Years Ended
December 31, 2012 and 2011**

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$7,512,798	\$(12,780,390)
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities:		
Depreciation and amortization	131,083	133,106
Net realized and unrealized (gain) loss on investments	(13,641,442)	6,100,984
Changes in operating assets and liabilities:		
Interest and dividend receivables	244,678	37,160
Prepaid expenses and other current assets	15,883	43,708
Accounts payable and accrued expenses	43,676	(286,468)
Accrued payroll and related benefits	88,505	125,822
Grants payable	(1,059,391)	(461,461)
Deferred compensation	98,484	68,286
Due to parent and affiliates	(5,017,555)	4,967,798
Net cash used in operating activities	(11,583,281)	(2,051,455)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	-	(3,653)
Purchase of current investments	(156,593,668)	(117,152,125)
Sales, maturities, and redemptions of current investments	166,545,425	121,698,096
Purchase of long-term investments	(98,484)	(68,286)
Net cash provided by investing activities	9,853,273	4,474,032
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,730,008)	2,422,577
CASH AND CASH EQUIVALENTS — Beginning of year	7,604,072	5,181,495
CASH AND CASH EQUIVALENTS — End of year	\$5,874,064	\$7,604,072

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Special thanks to AGEnts for Change grantees for providing images and to Los Angeles Senior Art Show participants for offering their paintings for our use.



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