

# GEO Member Story

*How The SCAN Foundation is playing a key role in preparing nonprofits to build partnerships with the health care sector to improve services and increase sustainability*



The shifting health care landscape in the U.S. is bringing with it a mindset shift for some nonprofit organizations and also an opportunity for greater organizational sustainability — the opportunity to provide important services to meet new needs in the health care industry.

The SCAN Foundation is working at the forefront of preparing nonprofits for the shifts in the health care system to make the most of these new opportunities.

To help nonprofits be as efficient and effective as possible in their planning, the foundation has come up with [an impressive set of tools and resources for grantees](#), including a Budget & Finance Planning Tool — to help nonprofits identify expenses and potential revenue over a five-year time frame — and a Pricing Guide — to help nonprofits set appropriate prices for the services they offer.

As the government and the health care industry work to increase efficiency and to consolidate services when there are [overlaps in eligibility for benefits](#), nonprofits can expect to increasingly be a part of the solution.

Engaging with health care providers can require a significant amount of business savvy for nonprofit organizations. Consequently, The SCAN Foundation established the [Linkage Lab](#), an initiative to provide training and technical assistance to a set of six nonprofit agencies from across California as they develop contracts with health care providers.

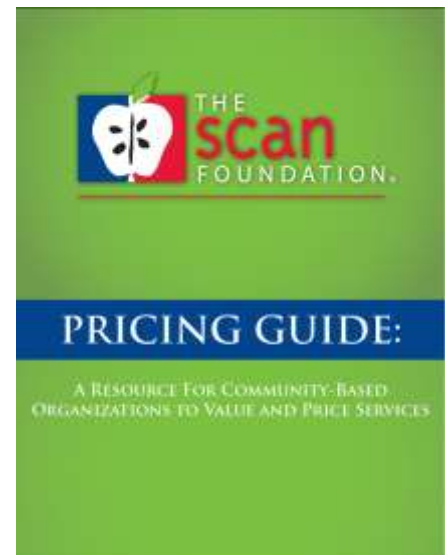
Over a two-year period, the foundation will hold six seminars, bringing together business experts to share with grantees and also providing them with consultants for additional technical support. The hope is that these nonprofits will have well-established relationships with the healthcare sector that will lead to their financial stability.

Less than halfway through the initiative, the six grantees have already entered into 12 contracts with healthcare providers.

“It’s a huge success,” said René Seidel, The SCAN Foundation’s Vice President of Programs and Operations. He added that the federal government’s Administration for Community Living has also provided similar grants nationally to recreate the success of the Linkage Lab in other states.

Through their involvement with the Linkage Lab, some established organizations have even begun to rethink their larger organizational structure and how they can best meet these new challenges and opportunities in ways that increases their sustainability, Seidel said.

Throughout the process of helping to prepare nonprofits to engage with the health care industry, the foundation has been working with nonprofits to tackle other pressing questions that began to arise. One of the most prominent issues that cropped up was figuring out how to charge health care organizations for the services offered by nonprofits.



The SCAN Foundation understood that this was a ripe opportunity to support not just their own grantees but also many other nonprofits across the country who will have to face similar questions about pricing. After researching resources already available for nonprofits, consulting with [Victor Tabbush \(professor emeritus of the UCLA Anderson School of Management\)](#), and getting feedback from grantees, the foundation created its Pricing Guide and began working with nonprofits to use it to value and price services.

Interest in the guide has been strong. In September, The SCAN Foundation hosted a [webinar to help nonprofits put the guides to use](#), and 160 individuals participated in that webinar. Since then, the foundation has been approached numerous times from folks who have requested for the foundation to do further trainings on how to put the guide to use.

Seidel said that nonprofit organizations can struggle with the concept of making a profit on a service they provide. He said that he encourages nonprofits to think about how they can use the revenue they generate from services in order to make their organization more sustainable and to allow them to improve and expand their services.

“It’s a whole cultural mind shift, but making a profit on a service you sell does not mean you can’t be a nonprofit organization.” he said, “The reality is that if you’re not making a profit, you have to question how you’re going to sustain your organization. You can’t just have a break-even point because you will have other costs that you aren’t putting into your price, or you might have other unanticipated expenses ... It’s not about anybody becoming rich; it’s about building sustainable organizations.”

**About the SCAN Foundation (in its own words):**

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

We will achieve this mission by encouraging public policy reform to integrate the financing of acute and long-term care; raising awareness about the need for long-term care reform; and working with others to promote the development of coordinated, comprehensive and person-centered care.

[More about the Foundation here.](#)

**Hear directly from The SCAN Foundation on an upcoming webinar**

The SCAN Foundation will be explaining the *Pricing Guide* and sharing lessons from its development in a webinar for grant managers.

The webinar will be taking place on Dec. 11 from 10:00 – 11:00 a.m. PST

[Register for the webinar here](#)

**GEO resources that relate to the topics covered in this member spotlight:**

*Pathways to Grow Impact*



*Investing for Impact*



*Learn and Let Learn*

