

SOCIAL ACCOUNTABILITY FOR LONG-TERM CARE ORGANIZATIONS

A Leadership and Mission Imperative

BY LISA SCOTT McCracken

It has never been more important for not-for-profit long-term care providers to be engaged, philanthropic members of their greater community. Similar to their tax-exempt hospital peers, tax-exempt aging-services organizations are under increased scrutiny to demonstrate their not-for-profit roots. The economy has heightened attention paid to property tax exemption as municipalities explore options for increased revenue. A handful of grassroots organizations in select states have targeted not-for-profit providers, questioning their alignment with the organizations' visions of what a not-for-profit organization should look like. While the majority of tax-exempt senior living providers furnish significant amounts of charity care and give regularly to the greater community, those stories often go untold.

Social accountability is a measure of an organization's commitment to its mission, its stakeholders and the greater community, and it demonstrates fulfillment of the requirements and expectations of tax-exempt organizations. It is often used interchangeably with the terms "community benefit" or "community engagement" and has largely been adopted as the term used by associations such as LeadingAge.

Why should tax-exempt long-term care organizations be paying attention to their own social accountability commitment?

■ **Mission fulfillment:** An organization's mission is at the heart of any not-for-profit provider. Social accountability is simply an extension and demonstration of that mission. One can argue that a senior living organization that functions within a bricks and mortar silo is not fully living up to its mission.

■ **Social accountability is smart business:** It would be difficult to argue that an organization with strong community partners, a positive community image and a clear role in the greater community is inferior to those organizations absent of

these qualities. True social accountability is not being forced to act a certain way, it is a commitment that yields much more than it requires. The secondary gains that social accountability yield, hands down, outweigh any output needed on the part of the provider organization.

■ **Heightened scrutiny:** Again, tax-exempt organizations are in an increasingly "prove it" world. Organizations must be able to quantify their social accountability efforts and clearly demonstrate their engagement with the greater community. Elected officials and neighboring residents need to clearly see the benefit of having the provider in their neighborhood and that it is worthy of tax-exemption.

THE ROLE OF GOVERNING BOARDS

First and foremost, the keepers of the mission — the board of directors — must be explicitly committed to the social accountability work and must hold the leadership accountable for living out this commitment. Boards must be educated about what social accountability is, what their role is in the oversight of the commitment and what the social accountability trends and happenings are

in the tax-exempt long-term care sector. Beyond this, it is recommended that the board explore a potential subcommittee for social accountability oversight as well as clearly defined metrics for ensuring success.

Ohio Presbyterian Retirement Services, headquartered in Columbus, Ohio, is the state's largest not-for-profit provider of continuing care retirement communities and services. Its board has been involved in social accountability from the beginning and continues to embed throughout

The keepers of the mission — the board of directors — must be explicitly committed to the social accountability work and must hold the leadership accountable for living out this commitment.

the organization a philosophy of giving back. In the mid-1990s, the organization began tracking its community activities and its not-for-profit responsibilities. This evolved into a formal program in the mid-2000s under the oversight of the board's finance, ethics and compliance committee. In 2008, the board and organization leadership expanded and enhanced the program and also shifted formal oversight responsibilities to the finance and strategic planning committee. Preserving tax status remains important to the board, but it is not the sole purpose. According to Larry Gumina, CEO, "Giving back to the community is not only part of our OPRS mission; it is simply the right thing to do."

THE IMPORTANCE OF TELLING YOUR STORY

For many years, not-for-profit aging-services providers felt it was too boastful, misaligned with their mission, to tell others of their charity-care dollars and good deeds with neighbors. This culture must be changed. To not tell these stories is a disservice to those who give of their time and resources and puts the organization in a vulnerable position.

LaPosada, a continuing-care retirement community in Green Valley, Ariz., has been quantify-

ing its social accountability efforts for years and publishes an annual social accountability report. This report is distributed to internal stakeholders such as staff, residents and family members, as well as externally to the community at large. Additionally, once a quarter, the organization takes out a full-page newspaper advertisement to thank the greater community for allowing them to continue to serve area seniors and to be an important part of the community. Often partners are listed in these ads, as well as organizations that have been the recipient of funds or other resources from LaPosada.

There are many resources available to assist not-for-profit long-term care organizations in their efforts to be socially accountable. Establishing a true culture of social accountability with a robust level of commitment, implementation and oversight can take many years.

Some important steps are to educate the organization, establish a game plan and timeline and make changes incrementally. The biggest mistake providers can make is to rush into designing a social accountability program with little strategic thinking or discipline. These programs are likely to fail or lack sustenance.

Sources for getting started or refining a social accountability program include:

- Catholic Health Association, www.chausa.org
- LeadingAge, www.leadingage.org
- Holleran, www.holleranconsult.com/social-accountability

Social accountability does not require providers to simply add one more thing to their to-do list. An organizational paradigm shift to true community engagement will yield beneficial, dynamic and exciting relationships with many stakeholders. It results in a stronger not-for-profit foundation and a better understanding of true purpose.

Continue the good work, and be sure to tell others of all your ongoing charity care and service to the community.

LISA SCOTT MCCRACKEN is president of Holleran Consulting LLC, which provides research services to not-for-profit organizations. It is headquartered in Mountville, Pa.

JOURNAL OF THE CATHOLIC HEALTH ASSOCIATION OF THE UNITED STATES

www.chausa.org

HEALTH PROGRESS®

Reprinted from *Health Progress*, November-December 2012
Copyright © 2012 by The Catholic Health Association of the United States
