

Health Care Options

Description

For a variety of long-term reasons, health care has been and will continue to be a growing sector of economic activity. While some aspects of the field are, of course, highly technical and do not readily suggest themselves as options for venture or service development by CEDOs in stressed communities, others seem made-to-order for local development purposes. For example, there are orders of home health care that require specific but minimum training and thus are appropriate career possibilities for those who need jobs but have few skills to offer. Home care often depends more upon personal qualities than specific skills, and the important skills demanded can be taught in relatively short order.

The choice of project, aside from its fit with the CEDO's venture criteria, may arise from a local special condition, as it did for Life*Spin in London, Ontario. There the province was closing out a mental hospital, and there were literally no provisions for housing people who were deemed no longer requiring in-patient care; and yet these people clearly were handicapped for making their own adequate shelter arrangements. So Life*Spin organized a resource group of experts together with psychiatric survivors and community representatives to design the most appropriate setting for the women who were most at risk. Margaret's House, as it is called, was designed to be established as a building with several small apartments and an adjacent staff house and with an appropriately organized supportive program. Part of the income for the project will come from commercial space rented on the first floor of the building that Life*Spin purchased. The project itself is run by a separate board which will rent the total premises from Life*Spin.

The range of possibilities in the health sector are wide, and the experience of New Dawn Enterprises, a CEDO in Cape Breton, Nova Scotia, demonstrates several other possibilities. One of its earliest projects was the creation of dental clinics in a number of communities in the region where local people had no dental care available at all and would have to travel a couple hundred miles for attention. From its efforts, using a provincial grant program to finance equipment and space, it began a turn-around in dental care that was desperately needed.

Cape Breton is an area with a major aging population, and another early (1970s) project for New Dawn was a seniors' home, which it continues to operate - now from another, improved facility. In another venture, New Dawn inventively used a special resource (substantial duplex houses in a decommissioned military facility) to create an innovative congregate living, home care program. On one side of each duplex is a multi-bedroom apartment for

three or four senior or mildly disabled residents, and in the companion unit (with a new connecting door) live a family of the employee-caretakers who are available, even 24-hours a day, to look after the needs of the residents next door.

New Dawn also launched a home visiting program to provide attention to health problems that otherwise would often require hospital care or serious risks to home-bound patients. Initially the venture was organized as a co-operative of the workers (as has been successfully accomplished elsewhere, in low-income neighbourhoods in Boston and New York, for instance), while New Dawn provided the financial management. However, the workers ultimately decided that they did not want to do the other supervision and management tasks; they simply wanted to take care of their patients. So New Dawn converted the business into one of its own subsidiaries, and recruited a full-time manager for it.

The kinds of health care ventures that can be organized by a CEDO depend upon the market for the care, just as with any other type of venture. While there may be a local need for a certain facility, that does not mean there is a market for it. Potential clients may not be able pay for the services and governments may not subsidize the operation. Health care ventures, like all businesses, require standard feasibility analysis and business planning, which will answer questions about where the income will be derived and whether that income can support the venture adequately. The ventures can be organized as nonprofit or for-profit, but in either case they must be self-sustaining, a requirement that New Dawn strictly enforces, for example, by asking managers to submit annual plans that lay out the financial prospects and to report monthly on the ventures' financial as well as substantive progress.

Benefits

As with all social enterprises, the main pay-off for the community is a social benefit, the improved health services. However, in this instance there is likely to be a substantial job creation benefit as well, which, as suggested earlier, can target particularly those who are at high risk in obtaining employment. Also, since the private for-profit sector can make money on health care facilities, there is no generic reason why these might not generate an income stream for the CEDO too. That will depend upon the goals and policies of the CEDO, as well as the management of the venture.

Major challenges

Mostly, health care ventures will depend upon government payments for services rendered to patients, and these payments will ordinarily be in arrears, perhaps many months in arrears. So cash flow may be a continuing major problem. Other than this, a health care venture will usually have no more (and no less) challenges than any venture.

Some practical steps

1. As always, the CEDO needs first to ascertain that the enterprise fits its initial venture selection criteria.
2. A feasibility study (or studies) will have to be conducted to make sure that no hidden obstacles exist for this idea. Of special interest here is whether and how any other agency in the region provides the same or similar services, or services that complement and link to the proposed venture.
3. Once the basic practicality of the venture seems likely, the CEDO will best recruit a manager (or managing partner) who will prepare a business plan that can be submitted to the board for approval and form the basis of any grant proposals that will be submitted - or otherwise undergird the argument to other capital sources.
4. Among the issues that should be addressed by this point is how the potential client group will participate in shaping the venture and its management, since community responsiveness is surely one of the CEDO's guiding values.

Resource organizations & contacts

The CEDO will need to look for other groups (for-profit or nonprofit) that operate a similar facility, particularly in the same province. The provincial agencies relevant to the facility may also be helpful (and could be helpful in pointing out other groups).

Publications

Since there are so many different possible ventures in this sector, no one publication or set of publications can be cited. Again, the relevant provincial agency may be helpful here.