

From Organic Growth to Strategic Growth



Maria Gomez radiates warmth and determination. Walking through Mary's Center, the clinic she founded in 1988, she stops to talk with staff and clients. She inquires after their families, shares a smile and words of encouragement, all the while checking to make sure that things are **running well**. She makes a point to remember to tell her staff that the bookshelf in the waiting room is empty. Encouraging people to read is part of the prescription for health and well-being that is a hallmark of the Mary's Center holistic approach—medicine, education, and social support working together to help people heal, grow, and change their lives.

“A DOCTOR OR NURSE TELLING A PARENT THAT THEY NEED TO READ TO THE CHILD DAILY is more powerful than a teacher telling them that,” says Gomez. “By the time a teacher can say that to a parent, it’s already too late because the parent hasn’t read to the kid for five years.”

Gomez started Mary’s Center in a basement apartment on Columbia Road to provide pre-natal care to Latina women in a culturally sensitive setting. True to her larger goals, Gomez and her staff started to collect data and realized that 80 to 90 percent of the girls coming to the Center were under 18 and many were having multiple births. She realized it wasn’t nearly enough to simply help these women have healthy babies—they had to help them become engaged in their community through learning and activities that provided hope and aspirations for themselves and their families.

“Once people felt comfortable, clients gave me ideas on how we should grow. They would say, ‘how can you take care of us when we are pregnant and not provide family planning,’ so we started a family planning program. And then a pediatrics program and then a home visits program and so on,” Gomez says.

“In the past we’d grown phenomenally but we never did any planning. What VPP did for us was to help us articulate our model for social change. We were providing health and social services and family literacy programs but we could not tell people how they integrated with each other. If you can’t articulate to what end you are providing services, if you aren’t changing behaviors in this generation so that there is a change in the paradigm of the next generation, then we are just making a living out of poor people’s money. “

— **Maria Gomez, Founder and Executive Director, Mary’s Center**

In the more than 20 years since its founding, the organization has expanded from serving several hundred pregnant women a year to serving 16,000 low-income, immigrant families whose

linguistic and cultural needs would otherwise go unmet by public or private health care and social services systems.

Today, Mary’s Center is a Federally Qualified Health Center (FQHC), serving people from all over the city with an emphasis on providing primary care and educational and social services to underserved, underinsured, and uninsured immigrants, primarily from Latin America, the Caribbean, Africa, the Middle East, and Asia. It operates two clinic locations in Wards 1 and 4 in Washington, D.C., a mobile health unit that provides services for those unable to get to the clinics, and a new, comprehensive medical and social services clinic in Montgomery County, Maryland, that opened its doors in June 2008.

The Challenge

While Mary’s Center has grown over the years to become a widely respected and recognized leader in providing health care and other services to low-income immigrant families, its growth had been organic. The process of becoming a Federally Qualified Health Center in 2004 was the beginning of major change for the organization. The FQHC designation provided a significant infusion of capital annual funding and the ability to see many

more patients. The organic growth that Mary's Center had experienced up until this point would not carry the organization forward in the ways that it needed and wanted to go. FQHC status and requirements also provided a good impetus for the VPP investment to help Mary's Center grow in a more intentional and structured way.

In 2004, Mary's Center entered into a four-year investment partnership with Venture Philanthropy Partners. VPP invested nearly \$4 million (\$3.386 million) to help the organization undertake:

- Comprehensive business planning to help the organization develop a growth plan;
- Guidance and support for expansion in the suburbs and specifically Montgomery County, Maryland, including a partnership with Washington Adventist Hospital;
- Support for new positions to create the infrastructure necessary to support an organization working on a bigger scale;
- The development of financial systems; and
- The development of systems to track and measure outcomes and impact.



The Action: Seeing Outside the Box

Like many nonprofit leaders, Gomez lived very much in the here and now—treating critical issues for her patients and managing the day to day operations of Mary's Center. The business planning process presented her with the opportunity to step back and think about the future and the great potential of Mary's Center. She says it's the first time that a funder—or for that matter, anyone else—ever asked her to dream about what she wanted Mary's Center to become.

“What the planning process did is stretch me to think about the kind of growth that Mary's Center could really achieve,” Gomez says.

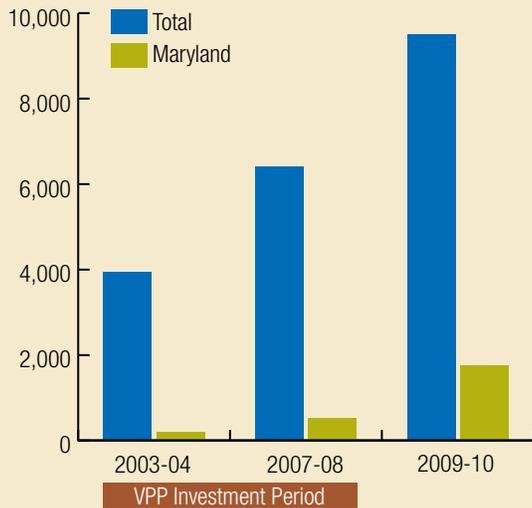
“The VPP planning process created a road map for how to grow and the

means necessary to do it. The business plan looked at each component of growth,” said VPP Partner Shirley Marcus Allen, who worked with Mary's Center throughout the majority of the investment period.

The initial plan called for very aggressive growth which, after a time, Mary's Center realized it could not achieve in the time frame mapped out. To achieve the growth called for in the plan required enormous changes internally.

“This is an enormously complex business, providing education, social services, and medicine. There were rudimentary financial and other systems early on. But you have to have the roots that you can't see to enable the growth that you can see,” said Mary's Center Board Chair, Mary MacPherson.

Mary's Center Growth in Numbers Served: 2003-2010



At mid-point in the investment, Mary's Center worked with VPP to recalibrate the original growth plan to reflect what was realistic and what the staff and board could fully support because it was more achievable.

Expansion into Maryland and to Ward 4 in the District

The strategic plan called for an expansion of services. At the time of the VPP investment, Gomez was already looking at expansion into Ward 4 and had opened a new facility on Kennedy Street in Northwest Washington in 2005. But the organization was considering expanding into the suburbs as well. As was the case with many District-based nonprofits, Mary's Center was seeing large numbers of

its patients settling in other parts of the region where housing was more affordable. But these patients could not find the culturally competent services that Mary's Center provided in their own communities and asked that the organization consider opening clinics in Northern Virginia

and Maryland.

Gomez and her board wrestled with the issue of expansion, and after careful planning and analysis, concluded that it made sense to go to Montgomery County. In June 2008, Mary's Center opened a full-service clinic in the Long Branch/Silver Spring area of the county.

VPP Partner Shirley Marcus Allen, who had an extensive network of contacts in social services in Maryland, helped to introduce Gomez and her team to key players in Montgomery County.

"Shirley was tremendous in leveraging all kinds of meetings. Many times these partners responded better to her because of her relationships and

the caché of VPP," Gomez says. "The players in Montgomery County were welcoming. They told us there is a need [in the county] and it is one that Mary's Center can readily fill. We were wooed by the Health Department in Montgomery County and Washington Adventist Hospital to come there. We are in Maryland because it is about the partnerships, it is about the politicians understanding our work, our commitment, and the potential community outcomes which lead to funding opportunities to roll out our programs," Gomez recalls.

Business Partnership, Not Charity

A key aspect of opening a clinic in the Long Branch/Silver Spring area of Montgomery County was forging a partnership with Washington Adventist Hospital. The hospital provides the clinic with \$250,000 annually in funding and in return, Mary's Center sees the hospital's low-income immigrant patients for follow up. Gomez says negotiating the terms of this partnership was extremely challenging for her and her team. In the beginning she went into the discussions thinking she was asking a funder for money rather than negotiating a mutually beneficial partnership.

“Maria was very strategic in building relationships within Montgomery County. She came in not challenging the existing provider community in the county but said what can I do to help?”

—Uma Alhawalía, Director of Health and Human Services, Montgomery County

“VPP was instrumental in helping me see that this was a business transaction. Shirley gave me the strength to say to Washington Adventist: ‘This isn’t charity, this is a business transaction. Let us sit down and have a business discussion. Mary’s Center is here to help you so let’s make this happen,’ ” Gomez says.

Chuck Short, who serves as a Special Assistant to Montgomery County

Executive Ike Leggett, notes that VPP was very helpful in facilitating this multi-sector partnership that he believes can be a model for others.

“It’s a four legged stool of strength: VPP as a competency facilitator, a major private funder in Washington Adventist Hospital, the support of the Montgomery County Government, and lastly and most importantly, a strong nonprofit, Mary’s Center. Those four unified elements defined the way they came to Long Branch and it assured almost immediate success.”

Growing Internally To Serve More People with Quality Services

The growth mapped out in the strategic plan required that Mary’s Center make some major changes internally to build the infrastructure to support a larger, multi-site organization. With VPP’s support, Mary’s Center developed and

put in place new financial and other administrative systems, and created and then hired for a number of new positions to manage these functions—Chief Financial Officer, Chief Operating Officer, Chief Medical Officer and Senior Communications Officer.

“Until then, Maria was the chief cook and bottle washer. When she walked through the clinic, it would take hours; because there wasn’t a level of management between her and the staff, she would have to stop and address multiple issues. The VPP investment enabled Mary’s Center to build a management team that has allowed Maria to hand over the day to day operations of the clinic. When the VPP investment was winding down, the discussion was not how do we run on a million dollars a year less, but how do we find the million because that’s how we need to operate,” said Mary MacPherson, Board Chair of Mary’s Center.

Making the shift from founder-centric management was not easy. Having lived in a resource-constrained environment for so long, Gomez says she hadn’t had the resources or the know-how to build the infrastructure she needed.



“All the things that VPP helped us fund [with the exception of the communications position], we are now funding ourselves. Those are infrastructure [pieces] that we would never have taken the step to fund ourselves. I wouldn’t have taken the chance to bring on these highly paid individuals without knowing how I was going to pay them. There is no other funder I could have gone to for operations support,” she says.

Measuring Impact and Quality

One of the most valuable pieces of the VPP investment in Mary’s Center was helping the organization better articulate its holistic model, and then be able to document and measure the impact of its model on the populations served. Through the VPP investment, Mary’s Center was able to purchase outcomes tracking software and then hire a dedicated individual to put in place a process to track and analyze the results and take appropriate actions. With this measurement system, the organization is able to show where it is successful and where it must work harder. The

VPP investment also supported the organization in moving to an electronic medical record system that allows them to better track patients throughout the clinic and the various services Mary’s Center provides.

“When you are running a health center you can see a lot more people, but if the quality isn’t there it can mean the difference between life and death. Quality is the number one issue,” says Gomez.

Being able to show its impact has also paid dividends for fundraising. The financial and evaluation systems make data more accessible and in a more timely manner, so that funders can easily see the effectiveness of programs and how dollars are being deployed.

“Without the software, we couldn’t demonstrate how effective and cost effective we are while maintaining quality,” Gomez says.

“The VPP investment enabled Mary’s Center to increase its capacity everywhere and that is what is going to enable this organization to move into a 28,000 square foot clinic that it is building on Georgia Avenue in a space that it will own. It now has the ability to plan for and manage that kind of growth.”

—Mary MacPherson, Board Chair,
Mary’s Center

Results

During the period of the VPP investment, Mary’s Center has achieved much for its community and itself as an organization. These include:



- Achieved 157% growth in the number of children and youth served annually, from 2500 at the beginning of the investment to 6,413;
- Began to put in place a comprehensive system for quality assurance based on federal standards for community health. The system has shown, for example, that 97.3% of babies born to Mary's Center clients have healthy birth weights, exceeding the general number of 88.5% in the District of Columbia;
- Opened a full-service satellite office to reach underserved children, youth, and families in Ward 4 in 2005;
- Forged a partnership with Washington Adventist Hospital to expand Mary's Center into the Long Branch community of Montgomery County, Maryland, serving approximately 3,000 underinsured and uninsured patients since its opening in June 2008;
- Improved clinical outcomes through the formation of a quality assurance committee and the development and monitoring of clinical protocols; and

- Hired and effectively integrated an experienced COO and CMO (Chief Medical Officer) with expertise in the management of FQHC's.

“Looking back, the opportunity to plan, to grow strategically, to grow monetarily, to raise the funds for it, and, more importantly, not only keep our quality, but increase our quality and health care outcomes, has been significant. The results for our teens are out of the ball park.”

—**Maria Gomez, Founder and Executive Director, Mary's Center**

MacPherson notes that in addition to the numbers, there are other results. “Capacity building is a term that gets thrown around a lot. For Mary's Center, building capacity wasn't just about electronic medical records, or hiring a

KEY INFORMATION

- > Investment duration: **2004 – 2008**
- > **\$3,386,507** invested
- > **3,915** more children served (157% increase)
- > Revenue increased from **\$7.6 to \$12 million** during investment period
- > **\$510,000** leveraged funding
- > **2** new clinics

COO or measuring outcomes. It was undertaking many efforts and looking at the organization holistically – not just taking on one component. The VPP investment enabled Mary's Center to increase its capacity everywhere, and that is what is going to enable this organization to move into the 28,000 square foot clinic that it is building on Georgia Avenue in a space that it will own. It now has the ability to plan for and manage that kind of growth,” she says.

But the proof for Gomez is the impact on the people she sees walk through the doors of a Mary's Center site.



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