'Managed care will wring inefficiency' out of disability nonprofits says Adapt Community Network's CEO

Edward Matthews is the chief executive of Adapt Community Network, the new name taken by United Cerebral Palsy of New York City as part of a $2.5 million rebranding effort. He has led the nonprofit, which serves people with developmental disabilities by offering adult day programs, residential services, preschool classes and job programs, since 1989. Adapt also operates medical clinics that specialize in treating people with developmental disabilities.

The organization, which has an annual budget of $220 million, employs 3,500 people and serves about 20,000 families a year. Matthews spoke with Crain's Jonathan LaMantia about the nonprofit's decision to change its name and how the planned shift to managed care will affect organizations like his.

Why did you rebrand?
It's something we wanted to do to position ourselves differently in the marketplace. We've served people with cerebral palsy and without. Parents of young children aren't particularly interested in going to a service that's labeled as [for people with] a disability for the same reason people with cancer get services but don't brand themselves as cancer victims.

How did you choose the new name?
The word adapt itself is something we have to do through various stages of life. It's something everyone could relate to. We want to build a sense of community and network—in the future, no one agency can be all things to all people. We'll help identify [other] agencies and services for referrals.

What's the greatest challenge facing your industry right now?
Workforce retention. This whole industry lives and dies [with] direct-service professionals. It's the amount of vacancies we have nationwide. Sometimes these jobs are physically challenging. You have people in wheelchairs you need to shower, dress and feed all while not making much more than minimum wage.

How will the move toward managed care for people with disabilities affect your industry?
There must be consolidation. The amount of money available won't allow for the duplication of services. Managed care will wring inefficiency out of the system. A lot of people fear it will do worse than that. I don't.

How will it affect your clients and people with developmental disabilities?
That's the great unknown. There's so much fear and misinformation to cut through. The reality is people have more power than they think. For 90% it will be an improvement or essentially what they have now. But there's a certain group who will be negatively affected. We have to identify them and make sure they get what they need. You can't always get what you want, but if you try you get what you need.

How is Adapt working to ensure that it doesn't collapse like other city nonprofits, such as Federation Employment and Guidance Service?
You always need a tight grip on expenses. As long as Medicaid is paying well, nothing happens. But most providers are not equipped to handle the downside of a glitch in revenue or unknown expenses.

How can nonprofits prepare for such an event?
You must be able to have bank relationships to handle upside and downside. It's not easy. Find other ways of raising money. A number of providers have Medicaid as the only source of revenue. Those will need to look for partners to help them.