

Improving Outcomes for Children through Performance-Based Contracting

June 10, 2008

Audience Q&A Session

Amy Church - 12:14 pm

Q: Is there a sample performance based contract that could be shared to see an actual example of these elements and their wording? North Shore Collaborative, NE Minnesota

Elizabeth Black

A: Yes, I have provided a sample of a PBC contract template to Chapin Hall. To download, please go to: <http://www.about.chapinhall.org/conferences/governing/jun2008/presentations.html>

David Collins - 12:19 pm

Q: Ms. Black, did your contract agencies prefer to leave case management with the state, or did they prefer to get more authority along with the new contract?

Gino DeSalvatore

A: Case management was and always been left with the providers.

Sherri Haber - 12:22 pm

Q: Does Tennessee plan to add case management in the future? Why or why not?

Gino DeSalvatore

A: We do the case management as part of our operation. We have always done it.

Kevin Keegan - 12:22 pm

Q: What does cost neutral mean? Has the cost changed from year to year?

Elizabeth Black

A: The reinvestment dollars the Department is providing to agencies for improved performance are not new. They represent funds the Department would have spent had the provider's performance remained unchanged.

Aizat Oladapo - 12:23 pm

Q: How are you looking into measuring performance of the high quality specialist?

Elizabeth Black

A: We have developed a Strategic Plan specifically for our PBC initiative. A critical part of that plan deals with our "niche" providers who deliver the high-quality specialty services you reference. Many of these services are critical to our network service array. Those include programs dealing with the MR population, the autistic population, sex offenders, etc.

We are currently working closely with our Chapin Hall representative to address issues of data analysis specific to those providers. No definitive decisions have been made on how we "massage" this data to more accurately reflect superior, or inferior, performance. We hope to have this portion of our Strategic Plan in place by January 1, 2009.

Alan Kassirer - 12:21 pm

Q: Youth Advocate Programs, Harrisburg, PA - What strategies have you used to ensure that front line staff understand the principles behind performance-based contracting?

Gino DeSalvatore

A: From a provider point of view of the state workers, it is still a struggle. There are many state case workers who do not understand performance-based contracts and that interferes with the operation of the provider service. As a director of an agency doing PBC, we constantly have in-services and trainings so my staff understand this new contract.

Sherri Haber - 12:23 pm

Q: Does Tennessee verify or validate the performance measures? If so, is this done by state staff? If not, why?

Elizabeth Black

A: After receiving data from the Department's TNKids information database, Chapin Hall conducts a data analysis around several identified outcomes to calculate re-investment dollars for providers who meet or exceed specified outcome targets. Each month, providers are able to review child specific data to ensure data accuracy.

Debora Buchanan - 12:23 pm

Q: Could you tell me the breakdown of the daily cost of Outcome Based Contracting for your 8500 children?

Elizabeth Black

A: The average cost for a child in care is \$106.00 per day.

Sherri Haber - 12:24 pm

Q: Has Tennessee experienced better CFSR outcomes that can be attributed to performance-based contracts?

Elizabeth Black

A: We are only now in the process of completing our CFSR Self-Assessment. It is too early in that process for anything definitive to be identified.

Debora Buchanan - 12:26 pm

Q: How are you shifting power to the children and families?

Gino DeSalvatore

A: Shifting power to families away from staff is not an easy task. We at Centerstone have many in-services and training of all our staff to help empower the kid and family. For example we have changed the way we talk about rules versus expectations. We teach kids and families how to write their own treatment plans and progress notes. We have no more point and level system, all driven by the treatment plan. We ask questions such as "What do you want to do or what do you want to address in care?" These are a few examples of the things we think about and focus on.

Debora Buchanan - 12:27 pm

Q: Where is the child discharged to after 5 to 7 days in care?

Gino DeSalvatore

A: The 5 day/7 day area relates to the length of time each week in residential treatment. We have kids who don't need 7-day-a-week residential treatment. So these kids are with us for 5 days and go home or to foster care the remaining 2 days. Those that need 7-day treatment have 7-day treatment. So this revolves around how many days a week kids can be in care in residential treatment.

Kathy Seubert - 12:27 pm

Q: Oregon DHS AMH - How much of Tennessee's funding comes from Federal sources, what are they and what percentage?

Elizabeth Black

A: About 51% of funding comes from federal sources. This includes Medicaid (TennCare), IV-E and miscellaneous other allocations.

Megan Russell - 12:28 pm

Q: How do you define successful versus unsuccessful discharges?

Gino DeSalvatore

A: Success is defined as discharge to biological families, kinship, or adoption. Unsuccessful is defined as a kid having to be transferred to another facility, a runaway or aging out of the system.

Jerry Glascock - 12:28 pm

Q: Please clarify the 5 and 7 day model

Gino DeSalvatore

A: The 5 day/7 day area relates to the length of time each week in residential treatment. We have kids who don't need 7-day-a-week residential treatment. So these kids are with us for 5 days and go home or to foster care the remaining 2 days. Those that need 7-day treatment have 7-day treatment. So this revolves around how many days a week kids can be in care in residential treatment.

Debora Buchanan - 12:30 pm

Q: How do the foster parents like working closely with the parents? What is the foster parents' role?

Gino DeSalvatore

A: The foster parent services act as an intermediate step to going home, helping kids with "more normalized" settings but with therapeutic overtones. Many of our foster families don't mind working with the biological families as they cover good ideas and strategies in how they work with their kids.

Elizabeth Dolman - 12:30 pm

Q: Would you please provide some specific examples of the outcomes contracted for

Gino DeSalvatore

A: Outcomes in our PBC contract include: 1. Number of kids exiting to permanence; 2. Reduction in the number of care days to getting kids to permanence; and 3. Kids re-entering the system once they leave our program for up to 12 months post discharge.

Harry Hobbs - 12:31 pm

Q: Are the performance expectations different for different levels of care? Ken Taylor - Wisconsin DCFS

Gino DeSalvatore

A: The populations are divided into age groups and strata. For example, the populations we deal with are kids ages 0-13 social services; kids 14-18 social services and kids ages 14-18 who are juvenile justice.

Alicia Frankel - 12:31 pm

Q: How do you quantify qualitative programming?

Gino DeSalvatore

A: One way is to make sure that you have an underlying philosophy that is accepted in the field. We use the Circle of Courage from the South Dakota folks that deal with Reclaiming. We also use Principles of Re-Education developed by Nicholas Hobbs. We then look at all the evidence based practice arenas for services such as anger management, family work and others. Using these things helps us develop and keep qualitative programming. Also, being nationally accredited helps us as well.

Jeanine Evoli - 12:31 pm

Q: Can you explain more fully what more "power & control is put to youth and family" really means in application of PBC and programming?

Gino DeSalvatore

A: Shifting power to families away from staff is not an easy task. We at Centerstone have many in-services and training of all our staff to help empower the kid and family. For example we have changed the way we talk about rules versus expectations. We teach kids and families how to write their own treatment plans and progress notes. We have no more point and level system, all driven

by the treatment plan. We ask questions such as “What do you want to do or what do you want to address in care?” These are a few examples of the things we think about and focus on

Noelle Simmons - 12:32 pm

Q: Please provide more detail on the penalty and incentive structure? What triggers a penalty or incentive? How does imposition of a penalty affect provider cash flow? Etc.

Elizabeth Black

A: Reinvestment dollars are earned by a PBC provider when they exceed their historical baseline performance for identified outcome measurements for care days utilized. In a very high-level synopsis of the process, the baseline for care days utilized by a provider and the per diem billing rate attached to those care days represents what the state would expect to spend with a given provider during a fiscal year.

The PBC re-investment formula asks a provider to reduce those care days represented in their baseline figure by 10% over the course of a fiscal year. This 10% reduction represents their target. If a provider meets or exceeds their baseline, they have saved the state the funding for care days they would have normally used if it were “business as usual”, so to speak. The billing associated with those “saved” days is then calculated and the state share of those dollars is the amount the provider is eligible to receive.

A provider may earn additional, graduated re-investment dollars by meeting or exceeding their target figures in care day reduction as well as two ancillary outcome measurement targets around reduction in incidences of a child or youth’s re-entry into care as well as an increase in exits to permanency.

Sherri Haber - 12:32 pm

Q: What strategies did Centerstone use other than training that resulted in a closer alignment between bio parents and foster parents?

Gino DeSalvatore

A: Other than the training, we had to bring these families together for a meet-and-greet first, to get to know each other and begin to establish the bonds between them. Then when bio families went into the foster homes, we had our case manager help with this process, working together, dialoging about the kids, etc.

Liz Garcia - 12:32 pm

Q: Question for Elizabeth Black/Gino DeSalvatore: Do these contracts include bonuses or incentives to identify opportunities for savings or to reduce costs associated with the provision of a service?

Gino DeSalvatore

A: We received as an agency, what is called reward or reinvestment dollars. We get these rewards with the hope of increasing or expanding services and to do more for more kids.

Ronya Faulkner - 12:33 pm

Q: Do you accept all children? If no, what are the guidelines?

Gino DeSalvatore

A: As a provider, we have a provider policy manual that governs a lot of what we do. In the manual are outlines of the various kids we work with in each of the levels established by DCS. Within these levels are the characteristics of the kids that can be referred to us. We do not take kids with murder charges, most aggravated charges, sex offenders or active fire setters. We also do not take kids with extreme low IQ's or kids who are actively psychotic.

Jann Hoppler - 12:32 pm

Q: How did the state and the contractors agree on what to examine as items to measure and methods for measurement?

Elizabeth Black

A: At various times during the PBC initiative's development, input from providers was solicited when refining the outcome measurements. However, the Department mainly relied on requirements set forth as a result of the Brian A. lawsuit settlement for the crafting of the majority of those outcomes.

John Ducoff - 12:32 pm

Q: How does one determine the right level and amount of staff to achieve the desired outcomes?

Gino DeSalvatore

A: From the provider perspective, we try to have a 1:6/7 case load. We feel this is the right amount per staff as this helps build relationships, makes it easier to deal with difficult situations or kids and allows for more contact between professional and case.

Carol Packard - 12:33 pm

Q: Does the child's improved ability for success (educational achievement, friendships, strengths/skills/talents) come into the outcome measurement?

Gino DeSalvatore

A: No. Not at this time.

Jeanine Evoli - 12:33 pm

Q: What are the specifics of the financial "bonus" system for reduced LOS or successful permanency for Centerstone?

Gino DeSalvatore

A: I not sure I follow this but we get that financial reward of reinvestment dollars to help build further capacity and provide more services. The actual calculations are done by fiscal with DCS.

Helen Woodyard - 12:35 pm

Q: Gino, how did you manage your permanence outcome when the courts did not honor the recommendation that youth be discharged?

Gino DeSalvatore

A: This is a hard thing. The thing I have learned about judges is that their job is to protect the safety of the public and then help kids and families succeed. With this in mind, good 1:1 time with the courts is important. The other thing we had to do to help is that we had to build the safety net under the kid so that if something happened in the community we could quickly respond and bring the youth back into residential care. When we did these things, we were more successful with the judges and found that they would indeed honor the discharge recommendations. Having a successful track record is another thing that works in the provider's favor.

Ronya Faulkner - 12:36 pm

Q: What is considered a "successful discharge"? TCCW Murfreesboro, TN

Gino DeSalvatore

A: An exit to a biological family, to kinship or adoption.

Felix Idahosa - 12:36 pm

Q: Gino, what is your length of stay? How many children are able to go home to bio parents and how long?

Gino DeSalvatore

A: LOS and outcomes are determined by Chapin Hall and are established for each strata or group of kid and when they were admitted. I don't have a specific here without going to my spreadsheets for each of these groups of kids. You can call me on this.

D'Ana Feggins-Baker - 12:36 pm

Q: Are providers expected to adhere to CFSR requirements and is that part of the performance based contract?

Elizabeth Black

A: The Child and Family Service Review (CFSR) requirements are not technically a part of our PBC initiative and providers are not held to those criteria as a part of our evaluation of PBC outcomes. However, if providers are affecting their PBC-identified outcome measurements in a positive manner, they will indirectly be addressing identified CFSR requirements.

Felix Idahosa - 12:40 pm

Q: Elizabeth and Fred, what payment method did you all use to reimburse providers; cost reimbursement or 1/12? When you use outcome, how did you ensure services was delivered?

Elizabeth Black

A: Per-diem rate based on Level of Service.

Felix Idahosa - 12:42 pm

Q: Can we use performance contracting for foster care recruitment and retention contracts? If you have, do you have any suggestion on reimbursement method?

Gino DeSalvatore

A: I am not sure if this is an answer but I rewarded my foster families for the work they did at the end of the first with money from my reinvestment dollars. This is one way I use to help keep good families.

Maryville Academy - 12:46 pm

Q: How many children does Centerstone have and care?

Gino DeSalvatore

A: In my system, I have about 115 kids at different levels with different diagnoses that I care for.

Lisa Hansen - 12:45 pm

Q: How many FTEs do you have for data collection and analysis?

Gino DeSalvatore

A: For me, the provider, I have 1: It is me.

Wes Ray - 12:48 pm

Q: To get vendors interested, do you have to use a combination of discount unit of service payments and payments after measures are realized to help them manage cash flow and move to payments only after measures are found?

Elizabeth Black

A: Understandably, many providers were initially anxious about the paradigm shift inherent in the PBC model. The possibility of earning re-investment dollars for meeting or exceeding identified outcome measurements was attractive. However, for many this opportunity was overshadowed by the specter of possibly being required to repay the state for a failure to meet baseline outcome requirements.

In order to stimulate interest in provider participation in the initiative, we offered PBC providers an “enhanced” per diem billing rate as an incentive. We also made the initial year of participation a hold-harmless year, meaning there would be no repayment of funds required regardless of performance outcomes. We have continued this practice when taking on new providers with each succeeding fiscal year of the initiative.

Felix Idahosa - 12:50 pm

Q: Gino, how does the performance base contracting work with those kids that do not get better in care and are basically raised in the child welfare system?

Gino DeSalvatore

A: The whole goal of our system to focus on the family and helping kids get back to their family or experience a family way of life. We do not have kids who languish in residential care. We also have planned permanent guardianship for kids to connect to foster families for long periods of time. I

have never had a kid who has gotten worse in my system. I have had kids who are not re-united with their family for whatever reason, but these kids do well because they focus on helping themselves and move forward.

Maryville Academy - 12:50 pm

Q: 1. Can you please talk about more how children and families write their progress notes, goals and objectives? 2. Are you billing Medicaid for these services?

Gino DeSalvatore

A: This would take awhile so I will give you just a little of this. Being CARF accredited, we (kid, staff, parent) have to allow kids to state goals in their own words. With this we then help them to develop the objectives to obtain what it is they want to achieve. Once this is complete, the youth then learn with staff support to process or look at how they have done in this area. They then document this in the progress note section. We use an electronic medical record to help track this.

Amanda Lopez - 12:51 pm

Q: How do you get the County social workers and judges on board with this new provider model, so that they are supportive of moving children home sooner than what has been the norm? Has there been a 'culture change' within the public sector?

Elizabeth Black

A: Educating our own supervisory and field level staff as well as Juvenile Court judges and their personnel has been a challenge. In Tennessee our regions are monitored for their own Chapin Hall data including the same measurements on which providers are evaluated. We continue to train internally on imparting to Departmental staff an understanding of this data and how successful PBC provider performance parallels their own performance.

We have also engaged the Juvenile Courts in an effort to impart this message of the importance of decreasing care days while increasing exits to permanency. Success in this area, while incremental, is ongoing. There has been a particular hesitancy with regard to our delinquent population. Many judges are reluctant to return those youth adjudicated delinquent to their homes and communities until they are completely certain they pose no threat to community safety.

Our struggle to affect consistent change in this area was less than successful initially. Our message began to gain traction as we enlisted PBC providers in the process. Judges who are more comfortable with the past performance of certain providers have been more open to recommendations by those providers to return a delinquent youth home as opposed to only hearing that suggestion from the Department.

Joellen Revell-Mellone - 12:53 pm

Q: How does PBC take in account youth who require multi-system services? For example, a child initially placed in a residential setting who now requires and is awaiting placement in a mental health setting. How does that situation affect the data results?

Gino DeSalvatore

A: That is not our system. We use a continuum model of care which means we have all the necessary service types to place a child. Our system is different in that residential care is residential care. We use community-based residential group homes with no more than 4-6 kids in a home. We know that we may have some kids who will require longer lengths of stay as they are more involved kids. We balance this with our kids that are short stayers.

Robert Dick - 12:52 pm

Q: Once a contractor earns a reinvestment incentive payment, are there restrictions on what it can be spent for?

Gino DeSalvatore

A: Not that I am aware of. In the first year, I gave each of my staff a bonus, gave a bonus payment for all our foster families, then used the rest to help buy a new group home.

David Summerhays - 12:55 pm

Q: I'm concerned that Tennessee, by setting "outcomes" to permanency plans, that providers will feel motivated to place children in permanency placements, whether or not that's the right thing to do for the children and family. How does TN prevent this?

Elizabeth Black

A: A provider may not simply place a child at home in order to achieve a "successful" exit. Custodial youth in Tennessee are placed in *any* setting only after a group consensus is reached as the result of a Child and Family Team Meeting (CFTM). Participants from all areas of interest in a child's case are gathered together at the CFTM to discuss progress toward permanency on the part of both the child and family in question. The decision to place a child at home or in their permanent placement is made only in this context, not solely because a provider would suggest a child was ready to go home or suggest the home was ready to care for that child properly.

Additionally, one of the outcome measures utilized to calculate re-investment dollars, or repayment of funding to the state, is re-entry. Re-entry occurs when a child or youth exits the care of a provider to a permanent placement and returns to care in less than twelve months. Thoughtful placement decisions must be made in order to ensure that these incidences of re-entry are kept at a minimum.

A provider who constantly pushed for home placement for the sole purpose of realizing a positive outcome would see their re-entry numbers rise concurrently. This would have a negative overall effect on the calculation of any re-investment dollars and serve to counteract any attempt of this nature to “play the system”.

Sherri Haber - 1:00 pm

Q: How did the public staff respond to the private provider staff receiving bonus?

Gino DeSalvatore

A: I not sure the public staff know.