

# **GOVERNING** *for Children* **AND Families**

A Social Policy Web Conference Series

## **Improving Outcomes for Children through Performance-Based Contracting**

**June 10, 2008**

**1 pm ET / 12 pm CT / 11 am MT / 10 am PT**



**CHAPIN HALL**  
CENTER FOR CHILDREN  
AT THE UNIVERSITY OF CHICAGO



**NGA Center for  
BEST PRACTICES**

### **Speakers**

**Patrick Boyle**, moderator  
*Youth Today*

**Elizabeth Black**  
Tennessee Department of Children's Services

**Gino DeSalvatore**  
Centerstone

**Fred Wulczyn**  
Chapin Hall Center for Children at the University of Chicago

**For detailed speaker information, please refer to the handout with panelist bios.**



CHAPIN HALL  
CENTER FOR CHILDREN  
AT THE UNIVERSITY OF CHICAGO

**Looking Ahead in Child and Family Services**  
The Role for Performance-Based Contracting

Fred Wulczyn  
Research Fellow

**Performance-Based Contracting**

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- Method of contracting with providers that links outcomes for children/families and funding in specific ways
- Idea is not new: Contracts with private sector have always carried expectations
- Difference is in the specificity of the expectations: the performance

Fred Wulczyn



## **Focus on Outcomes**

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- The shift underway moves contract language away from inputs (e.g., service units) or enrollment and towards outcomes.
- Public child welfare agencies are increasingly interested in purchasing outcomes as opposed to services.

Fred Wulczyn



## **Designing a Performance-Based Contract**

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- What performance do you care about?
- Reinvestment - what is flexibility?
- Create the baseline
- Risk sharing - risk adjustment
- Cash flow vs. revenue
- Upfront investment

Fred Wulczyn



## **Concluding Thoughts**

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There is a tendency to focus on  
the “money” when negotiating  
a performance-based contract.

But . . .

Fred Wulczyn



## **Concluding Thoughts**

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The most important things  
you can focus on when planning a  
performance-based system  
are interventions - best practices -  
that produce better outcomes  
for children and families.

Fred Wulczyn



## **Concluding Thoughts**

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More money and greater flexibility  
don't mean anything  
if you don't know what to do with it!

Fred Wulczyn



## **For More Information**

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- *Monitoring Child Welfare Programs: Performance Improvement in a CQI Context*
- "A Community's Concern," essay in *Child Welfare Watch*
- *Getting What We Pay For: Do Expenditures Align with Outcomes in the Child Welfare System?*

Download at  
**[www.chapinhall.org](http://www.chapinhall.org)**

Fred Wulczyn



# Performance-Based Contracting In Tennessee

Elizabeth Black  
Executive Director  
Office of Child Permanency  
Tennessee Department of Children's Services



# 76%

Elizabeth Black  
Executive Director  
Office of Child Permanency  
Tennessee Department of Children's Services



5/25/2008 11:03 AM

Please refer to the larger version of this chart on the last page of your handouts.

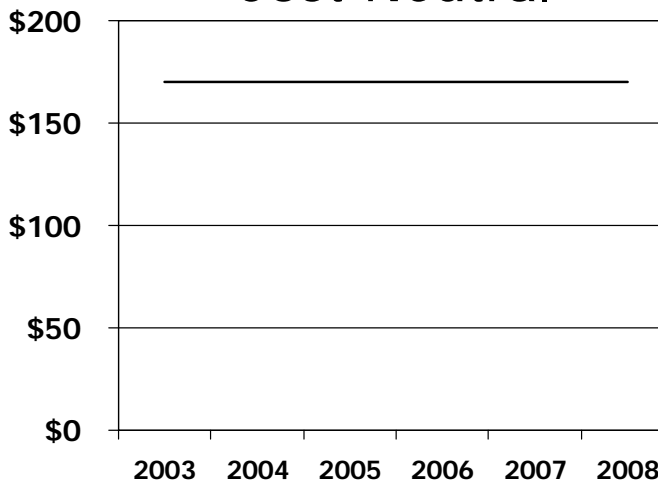
**Agency A**  
**Tennessee Department of Children Services**  
**Performance Based Contracting Annual Report: Phase 1 - 18 Month Update (July 1, 2006 - Dec 31, 2007)**  
**Detail Tables: Year 2 Performance**

Population/Strata	Income 7/1/2006	Projected Remaining on		Cumulative Perm Exits			Avg Caredays in Interval			Total Caredays in Interval			Non Perm (Cum)		Transfers (Cum)		Reentry (Cum)	
		7/1/2007	1/1/2007	Baseline	Target	Actual	Baseline	Target	Actual	Baseline	Target	Actual	Baseline	Actual	Baseline	Actual	Baseline	Actual
<b>Incare - July 1, 2006</b>																		
A/N/U 0 - 13, LT 2Yrs	28	24	8	12	13	22	129	116	106	3,110	2,766	844	0	1	7	2		
A/N/U 0 - 13, GE 2Yrs	8	4	1	3	3	5	118	106	184	462	393	184	2	1	1	1		
A/N/U 14 +	27	12	9	7	8	11	152	137	111	1,885	1,605	999	8	6	7	7		
Idle	21	6	4	22	24	21	80	72	173	424	284	696	4	2	5	6	14%	5%
<b>Total</b>	<b>94</b>	<b>46</b>	<b>22</b>	<b>44</b>	<b>48</b>	<b>59</b>	<b>128</b>	<b>117</b>	<b>124</b>	<b>5,910</b>	<b>5,049</b>	<b>2,717</b>	<b>14</b>	<b>10</b>	<b>20</b>	<b>16</b>	<b>6</b>	<b>2</b>
<b>Admissions - (FY 2006-2007)</b>																		
A/N/U 0-13	34	27	21	7	8	16	168	151	146	4,524	4,040	3,071	1	1	5	6		
A/N/U 14 +	59	32	37	25	28	13	139	125	138	4,489	2,989	5,106	12	15	12	10		
Idle	54	29	24	16	18	17	143	129	138	4,124	3,194	3,305	16	10	7	14	3%	7%
<b>Total</b>	<b>147</b>	<b>88</b>	<b>82</b>	<b>49</b>	<b>54</b>	<b>46</b>	<b>149</b>	<b>135</b>	<b>149</b>	<b>13,137</b>	<b>10,224</b>	<b>11,482</b>	<b>29</b>	<b>26</b>	<b>25</b>	<b>30</b>	<b>1</b>	<b>3</b>
<b>Admissions thru 6/30/2007</b>																		
A/N/U 0-13	11	1	1	1	1	1	71	64	134	782	704	1,476	0	0	1	1		
A/N/U 14 +	29	3	4	3	2	5	72	65	71	2,880	1,872	2,058	3	7	4	2		
Idle	23	1	1	1	1	1	73	66	78	1,684	1,515	1,799	3	3	1	2	3%	0%
<b>Total</b>	<b>63</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>7</b>	<b>216</b>	<b>195</b>	<b>283</b>	<b>5,346</b>	<b>4,091</b>	<b>5,333</b>	<b>6</b>	<b>10</b>	<b>6</b>	<b>5</b>	<b>0</b>	<b>0</b>
<b>Grand Total</b>	<b>304</b>			<b>98</b>	<b>108</b>	<b>110</b>				<b>23,592</b>	<b>19,364</b>	<b>15,532</b>	<b>49</b>	<b>46</b>	<b>51</b>	<b>51</b>		

Yr 1 Perf Goal:  
Exceed Target: X  
Between Target & Baseline: -  
Below Baseline: -

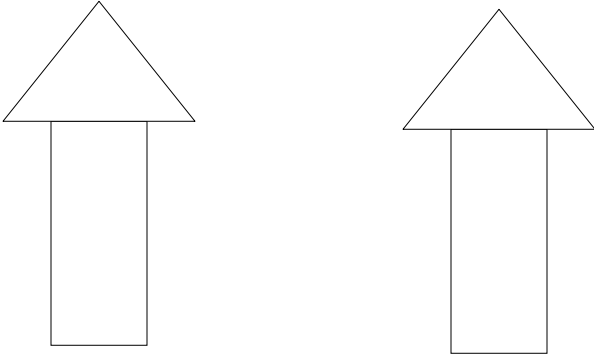
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# Cost Neutral



Elizabeth Black  
Executive Director  
Office of Child Permanency  
Tennessee Department of Children's Services






Permanency  
Rates

Provider Funds  
Available To  
Improve Programs

Elizabeth Black  
Executive Director  
Office of Child Permanency  
Tennessee Department of Children's Services



Remember The High-Quality  
Specialists

Elizabeth Black  
Executive Director  
Office of Child Permanency  
Tennessee Department of Children's Services



# 10/1

Elizabeth Black  
Executive Director  
Office of Child Permanency  
Tennessee Department of Children's Services



## Remember the Front Line

Elizabeth Black  
Executive Director  
Office of Child Permanency  
Tennessee Department of Children's Services



# Data Are Only Part of Quality Assessment

Elizabeth Black  
Executive Director  
Office of Child Permanency

Tennessee Department of Children's Services



## Centerstone and Performance-Based Contracting

Our Journey to Successful Outcomes



Gino DeSalvatore  
Director of Residential  
Treatment and Academy Services



## Systems Relationships

- Strong connections between the providers, Chapin Hall and the Department of Children's Services (DCS)
- Review of data between providers and DCS
- Ongoing dialogue between the parties, especially the department and the provider, about performance-based contracting issues



Gino DeSalvatore



## Organization, Structure and Service

- Family Centered Services divided into regions = small geographical areas
- Program Manager in charge
- Right amount and level of staff
- Therapists, case managers, foster care staff and clinical supervisors, and all residential treatment staff
- More power and control put on youth and family



Gino DeSalvatore



## Service Types

### **Continuum Model of Care**

Residential Treatment: 5 and 7 day

Day Treatment

Therapeutic Foster Care

In-Home Case Management Services

Sub-Contract Services

Adoption Services

School Areas



Gino DeSalvatore



## Utilization Review

Each region performs review weekly

### ■ Monitor

- Length of stay
- Permanence
- Successful discharges
- Unsuccessful discharges

■ Work closely with courts and release process

■ Baseline, target and actual worksheet



Gino DeSalvatore



## Family Work Emphasis

- Strong emphasis on families and family re-unification
- Much training in this area
- Foster families working with biological families and kinship



Gino DeSalvatore



## Question and Answer Session

**Patrick Boyle**, moderator  
*Youth Today*

**Elizabeth Black**  
Tennessee Department of Children's Services

**Gino DeSalvatore**  
Centerstone

**Fred Wulczyn**  
Chapin Hall Center for Children at the University of Chicago

Please use the Q&A window to type in your questions.  
Your name will appear automatically; please include your affiliation and location.

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If you have questions about the web conference, contact Jelene Britten at [jbritten@chapinhall.org](mailto:jbritten@chapinhall.org).



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Yr 1 Perf Grid:	Perm	Days	Reentry
Exceed Target	X	-	
Between Target & Baseline	-	X	
Below Baseline	-	-	