

Connecticut Family Stability Pay for Success Project

FACT SHEET

Ensuring Family Stability is a priority for Governor Dannel Malloy, Department of Children and Families Commissioner Joette Katz, and the State of Connecticut. The Family Stability Pay for Success project is an innovative strategy to better serve families struggling with substance use by expanding an intensive, in-home treatment program to families presently involved with the Department of Children and Families.



PROJECT OVERVIEW

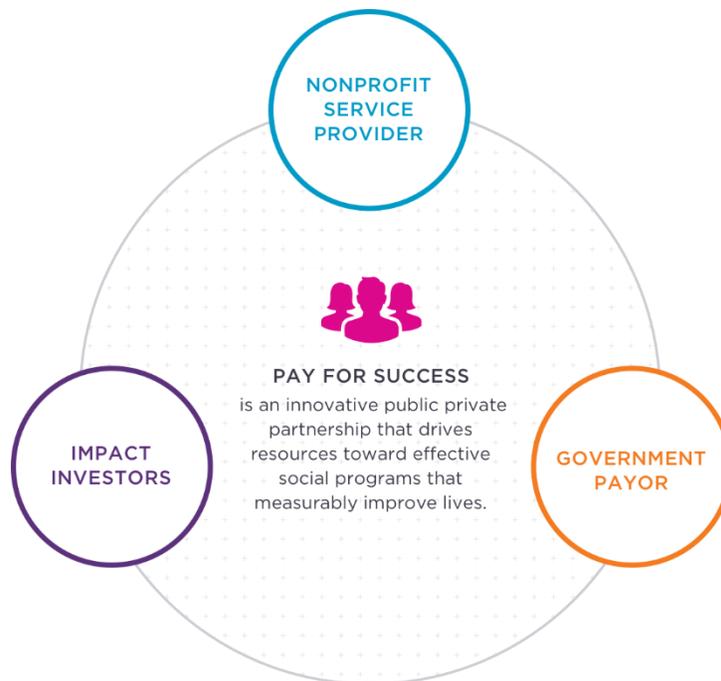
The Connecticut Department of Children and Families (DCF), Family-Based Recovery Services at the Yale Child Study Center, and Social Finance are **launching a Pay for Success (PFS) project to promote family stability and reduce parental substance use for DCF-involved families throughout Connecticut (the “Connecticut Family Stability Project”).**

The project will allow **Family-Based Recovery (FBR) to serve approximately 500 families throughout Connecticut over four and a half years.** Once a family enrolls with FBR, they receive services focused on understanding and responding to the child’s developmental needs and treating substance use for an average of six months.

- **Substance use is a pervasive challenge for families involved with DCF and it has persistent consequences for the State of Connecticut.** DCF spends more than \$600 million each year to address child abuse and neglect. In 2013, more than 50 percent of all cases investigated by DCF had an indication of parental substance use (18,118 out of 36,131). In addition, the Centers for Disease Control estimates that the lifetime cost associated with one incident of child maltreatment is more than \$210,000 in healthcare, child welfare, criminal justice, and special education costs and productivity losses.
- **The Connecticut Family Stability Project will pair families in need with a treatment team that provides regular visits to the client’s home to promote positive parent-child interactions, increase parental awareness and understanding of child development, and help parents maintain their recovery.** The PFS project will serve families across Connecticut that struggle with a substance use disorder, are working with DCF, and have children up to the age of 6 years old. These families will receive FBR’s proven, intensive, in-home treatment that focuses on parent-child attachment and substance use recovery.
- **FBR has a track record of success both in reducing involvement with DCF and in keeping families together through intensive support.** FBR has demonstrated statistically significant reductions in both the rate at which children were removed from the home and the rate of re-referrals to DCF compared to treatment as usual.

PAY FOR SUCCESS OVERVIEW

Pay for Success (PFS) projects, also called Social Impact Bonds, combine nonprofit expertise, private sector funding, and rigorous evaluation to transform the way government and society respond to chronic social problems.



- **At its core, PFS is a public-private partnership which funds effective social services through a performance-based contract.** Many high-impact service providers do not have access to the funds they need to scale-up their services due to limited budgets. In addition, government support for social programs is not always tied to results.
- **PFS helps address these challenges by engaging private funders to cover the upfront costs to increase high impact programs and by establishing performance goals that allow government, funders, and project partners to measure outcomes and track success over the long term.** If, following a rigorous evaluation by an independent evaluator, the program achieves predetermined outcomes that benefit society and generate value for government, then government repays the original investment. However, if the project does not achieve its target results, government pays nothing.
- **In the Connecticut Family Stability Project, Connecticut will repay funders only if FBR demonstrably produces positive outcomes and benefits for the State.** Specifically, the project will measure the impact on four outcomes: 1) prevented out-of-home placements; 2) prevented re-referrals to DCF; 3) reduction in substance use; and 4) successful FBR enrollment.
Existing PFS projects in the United States have addressed job training and employment, reducing recidivism, juvenile justice, homelessness, and early childhood education. The Connecticut Family Stability project is the first PFS project in Connecticut.

PROJECT PARTNERS

Connecticut Department of Children and Families

The Department of Children and Families (DCF) has a consolidated statutory mandate which includes child welfare, juvenile justice, children's behavioral health and prevention. DCF's mission is to work together with families and communities to keep children healthy, safe, smart and strong. Since 2011, under Commissioner Joette Katz's leadership, key reforms have included: maintaining and reunifying children with families; increasing placements with relatives or non-relative families with whom children have strong bonds; reducing the use of group or "congregate" settings which are not normative environments for children; and increasing community based services for families to keep more children at home when possible. As a result of these reforms, one of DCF's prioritized areas of need relates to parent and caregiver substance use, including community-based treatment services and in-home support, which will be widely expanded to communities in need of these services as a result of the Family Stability Pay for Success project.

Family-Based Recovery, Yale Child Study Center

Family-Based Recovery (FBR) is an in-home parent-child attachment and substance use treatment program for mothers and fathers who are actively parenting a child younger than 72 months. The program aims to eliminate substance use among parents, prevent the risk of child neglect and disruption of primary relationships, and promote healthy child development. To qualify for FBR services, caregiver(s) demonstrate the need for substance use treatment by producing a positive toxicology test prior to 45 days of program intake. The mission of FBR is for children to be raised in substance-free, safe and stable homes with their parent(s). Community-based behavioral health providers deliver FBR within local communities, and FBR Services, operating within the Yale Child Study Center, oversees the implementation and delivery of FBR throughout Connecticut.

Social Finance

Social Finance is a 501(c)(3) nonprofit organization dedicated to mobilizing capital to drive social progress. Social Finance is committed to using PFS to tackle complex social challenges, facilitate greater access to services for vulnerable populations, and direct capital to evidence-based social services – all with the goal of measurably improving the lives of people most in need. Social Finance was one of the first organizations in the United States dedicated to providing PFS intermediary services. Social Finance has successfully designed and implemented all aspects of PFS projects, including: program design, evaluation structure, economic and financial modeling, and contract development. Social Finance's sister organization Social Finance UK pioneered the first social impact bond in the world in 2010.

University of Connecticut Health Center

University of Connecticut Health Center (UConn Health) is the independent evaluation entity responsible for implementing an outcome evaluation to measure the impact of the FBR programs. The UConn Health team is led by Dr. Jane Ungemack in collaboration with Dr. Kathryn Parr from the School of Social Work. The Project will take a Randomized Control Trial approach, the gold standard for a rigorous evaluation.

Harvard Kennedy School Government Performance Lab

The Harvard Kennedy School Government Performance Lab (GPL) conducts research on how governments can improve the results they achieve for their citizens. An important part of the GPL research model involves providing pro bono technical assistance to state and local governments on projects related to Pay for Success contracts and other outcomes-based procurement strategies. Formerly the Social Impact Bond Technical Assistance Lab (SIB Lab), the GPL has been at the forefront of the Pay for Success movement since 2012 and has advised 5 out of the first 9 PFS projects launched in the U.S. The GPL has been working with Connecticut since 2013, and has provided assistance to DCF through all stages one the project, including policy area selection, project design, procurement, data analysis strategy, and contract negotiations.

Jones Day

Jones Day is a law firm with more than 2,400 lawyers on five continents that is relentlessly focused on client service. Jones Day is serving as legal counsel to Social Finance in the Connecticut Family Stability project.

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FREQUENTLY ASKED QUESTIONS

Ensuring Family Stability is a priority for Governor Dannel Malloy, Department of Children and Families Commissioner Joette Katz, and the State of Connecticut. The Family Stability Pay for Success project is an innovative strategy to better serve families struggling with substance use by expanding an intensive, in-home treatment program to families presently involved with the Department of Children and Families.

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- Existing PFS projects in the United States have addressed job training and employment, reducing recidivism, juvenile justice, homelessness, and early childhood education. The Connecticut Family Stability project is the first PFS project in Connecticut.

How is Pay for Success different from other sources of funds?

Pay for Success gives high-impact service providers access to new pools of capital outside of traditional government and philanthropic funding streams. For service providers that do not have access to the funds they need to scale-up their services, Pay for Success offers flexible, growth capital, enabling service providers to focus on program delivery, not fundraising.

How does Pay for Success support preventative programs?

Government spends significant resources on remedial programs—programs that address a social issue that is already entrenched—leaving little funding for preventative services. In addition, government support for social programs is not always tied to results.

Pay for Success helps solve these problems by tapping private funders to provide the upfront costs of scaling up preventative programs and services by establishing performance goals that allow government, funders, and project partners to measure outcomes and track success over time. The goals are set collaboratively with government and service providers to ensure they are ambitious, yet realistic performance measures that strengthen the program and the services it delivers.

Because Pay for Success projects typically focus on funding preventative services, their success creates significant value for individuals and government by helping people realize their own potential, and by saving government money by reducing its need to pay for costly remedial programs down the road.

How will Connecticut benefit from the Connecticut Family Stability Project?

The Connecticut Family Stability Project offers numerous benefits to both the families who participate directly in Family-Based Recovery, as well as the citizens of the state. The project will provide upfront funding to scale Family-Based Recovery for DCF-involved families and address a DCF service gap by expanding the program to serve vulnerable families with children age 0 to 6. It is anticipated that five hundred families across Connecticut will receive the benefit of a proven, intensive, in-home treatment that focuses on parent-child attachment and substance use recovery.

In addition, the Connecticut Family Stability Project will help bring accountability to the taxpayers of Connecticut. The State will only repay the upfront funding should pre-determined performance measures be achieved over the course of the project, as evidenced by the independent evaluation.

What prompted Connecticut to focus on a Pay for Success project focused on Family Stability?

Families involved with DCF are some of Connecticut's most vulnerable residents. Despite the challenges that many of these families experience, we know that keeping kids with their families by addressing the root cause of child welfare involvement, such as parental substance use and child maltreatment, gives children the best chance at both short- and long-term success in life. Children who are subject to maltreatment and removed from their homes experience higher rates of criminal justice involvement, special education, mental health problems and healthcare utilization, and earn substantially less over the course of their lives than their peers who are not removed from their homes.

FBR is comprehensive program, which focuses on the family unit and seeks to break the multi-generational cycle that impacts families involved with DCF.

The Connecticut Family Stability Project also builds on key reforms instituted under Commissioner Katz. It is DCF's mission to work together with families and communities for children who are healthy, safe, smart and strong. Key reforms during her administration include:

- 1) Maintaining and re-unifying children with families;
- 2) Increasing placements with relatives and "fictive kin";
- 3) Reducing the use of group or "congregate" settings which are not normative environments for children; and
- 4) Improving community based services so more children can stay with families.

How does Family-Based Recovery help families?

FBR is an intensive, in-home parent-child attachment program for families with young children at risk for abuse and or neglect, poor development outcomes, and/or removal due to parental substance use. Clinicians conduct three home visits (with a toxicology screen) per week, for an average of six months to provide clinical support to clients , promote positive parent-child interactions for secure attachment, keep families together, and help parents achieve and maintain abstinence.

Why was FBR chosen as the intervention in this Pay for Success project?

DCF, in collaboration with Social Finance and the Harvard Kennedy School Government Performance Lab, analyzed over 70 potential evidence-based programs that address substance use and serve families with children involved with the child welfare system. The partners identified FBR as an ideal program based on (1) its existing evidence base and history of reducing the number of out of home placements and re-referrals to the department, and (2) its ability to scale service delivery and serve Connecticut's most vulnerable families through Pay for Success.

FBR has a track record of success both in reducing involvement with DCF and in keeping families together through intensive treatment. FBR has demonstrated statistically significant reductions in both the rate at which children were removed from the home and the rate of re-referrals to DCF compared to treatment as usual in other conventional programming.

What happens if a parent receiving FBR is not making positive progress or has a relapse?

Relapse is a normal part of the recovery process and FBR supports families on their path to recovery. FBR will work with families to decrease the risk of continued use and to meet program goals of abstinence. When an alternative (e.g. inpatient) program is needed, the client, treatment team and DCF collaborate to connect the client to the appropriate provider.

What is the role of Social Finance and the Harvard Kennedy School?

Social Finance is a 501(c)(3) dedicated to mobilizing investment capital to drive social progress. It works collaboratively with public and private partners (including governments, social service organizations, and funders) to develop, structure, finance and manage high-quality Pay for Success projects. Social Finance has been working with Connecticut since May 2014.

The Harvard Kennedy School's Government Performance Lab (GPL) provides pro bono technical assistance to state and local governments interested in pursuing Pay for Success and Social Impact Bond contracts. The GPL has been working with Connecticut since May 2013.

How many Pay for Success projects exist today?

As of January 2016, nine projects have been announced in the United States:

- 2012 **New York City** announced the first U.S. project aimed at reducing youth recidivism.
- 2013 The **State of New York** began a project to support workforce development and reduce recidivism.
Salt Lake County, Utah undertook a program to expand early education.
- 2014 The **Commonwealth of Massachusetts** launched a project to support workforce development and reduce recidivism for young adults.
The **City of Chicago** launched a project to increase the provision of pre-kindergarten.
Cuyahoga County, Ohio launched a project to address homelessness and improve child welfare.
The **Commonwealth of Massachusetts** launched a project to reduce chronic individual homelessness.
- 2015 **Santa Clara County, California**, launched a project to provide housing and supportive services for chronically homeless individuals.
- 2016 **Denver, Colorado** announced a project to provide housing and supportive services for chronically homeless individuals.

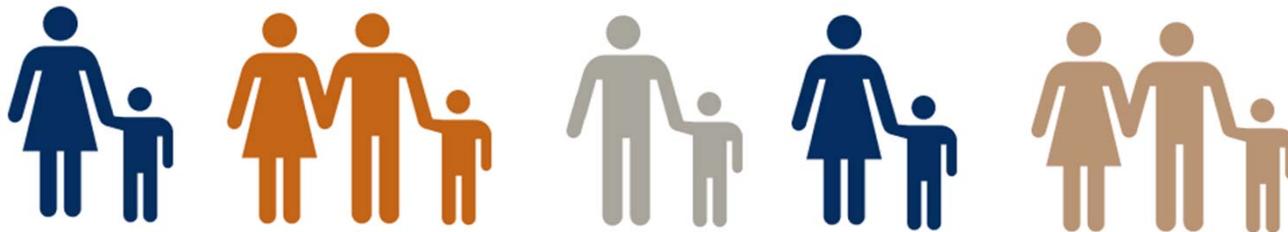
In the coming years, additional projects will potentially launch in California, Ohio, South Carolina, Illinois, Michigan, New York, Massachusetts, Maryland, and Pennsylvania. More than 50 projects have been launched in countries worldwide, including the United Kingdom, Australia, Canada, Belgium, Germany, Portugal, Finland, the Netherlands, India and Israel. Additional projects are in development in these countries and many others worldwide.

Further details of the project will be released when finalized and preceding launch of services this summer.



Connecticut Family Stability Pay for Success Project

Alcohol and Drug Policy Council
March 1, 2016



PROJECT OVERVIEW

- DCF Funding Priorities
- Substance Use Services for Caregivers
- Overview of Pay for Success (PFS)
- PFS Partner Roles & Responsibilities
- CT Promoting Families PFS Partners
- PFS Project Timeline
- Next Steps
- Questions

DCF SUBSTANCE USE SERVICE ARRAY: CAREGIVERS

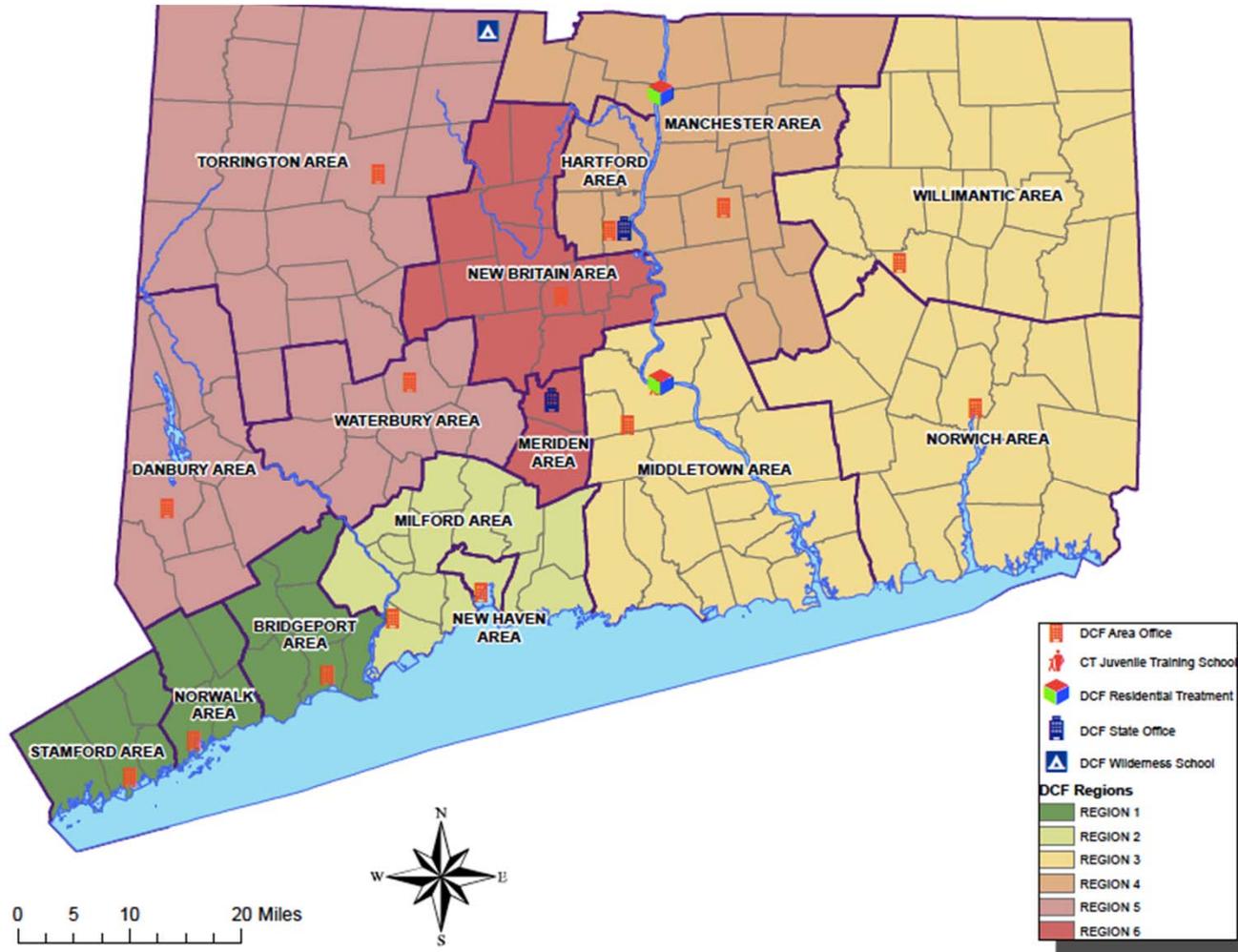
	Prevention	Low	Moderate	High	Capacity
Family Based Recovery (FBR)	0-3				240
CT Family Stability Project (FBR)	0 → 6				500
MST-Building Stronger Families (BSF)	6			→ 18	126
Project SAFE	0 → 6	6 → 18	18 → 18	18 → 18	
RSVP-RCM-RCM-e	0 → 6	6 → 18	18 → 18	18 → 18	

Age of Children

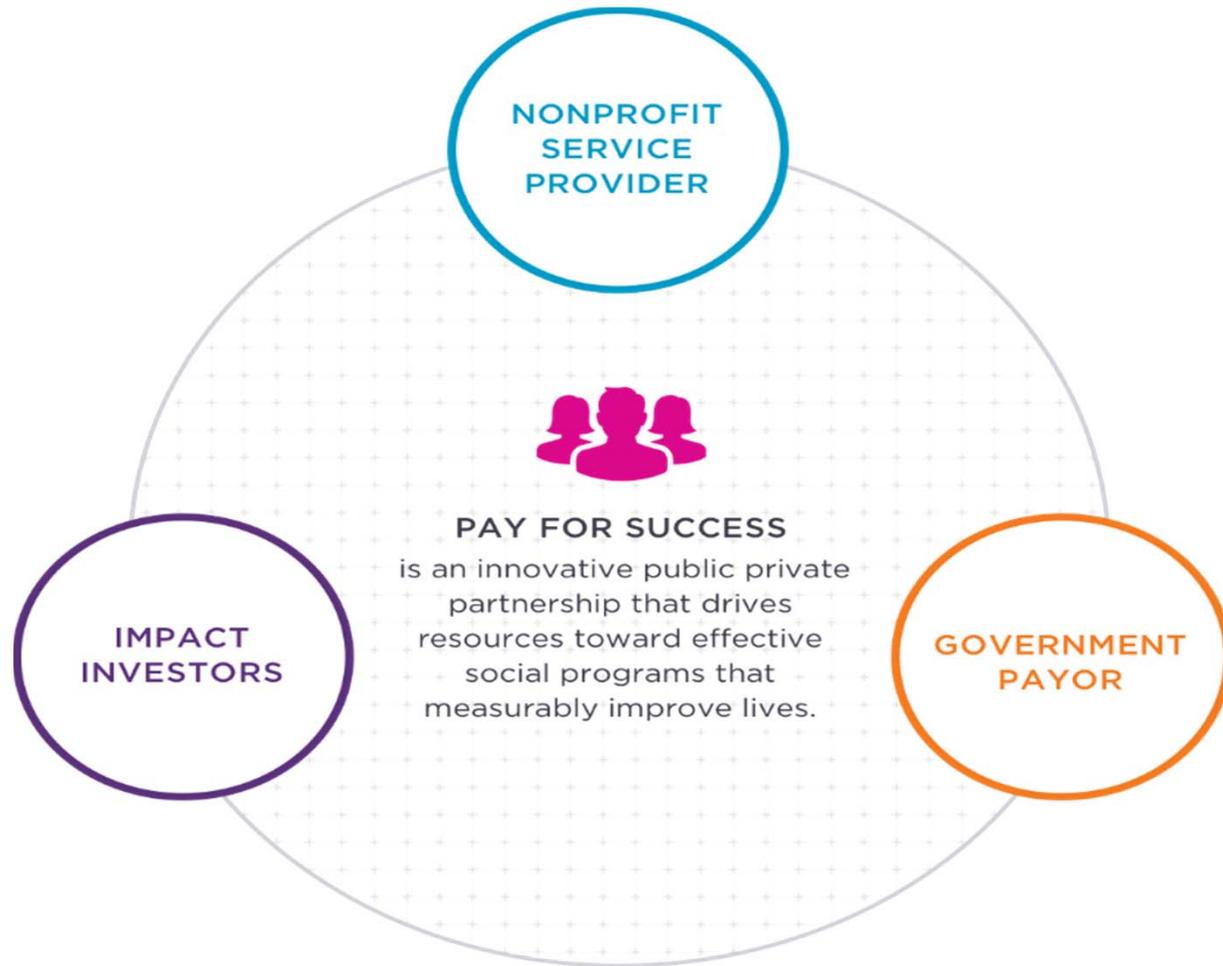
Risk

- FBR: CT Family Stability Project expansion into Regions 2, 3 & 5 set to commence June 2016.
- BSF: Currently expanding from 4 to 6 teams. 4-5 more teams needed.
- Project SAFE: designed to ensure rapid access for caregivers to substance use evaluation & treatment.
- RSVP-RCM-RCM-e: partially funded through federal grant, therefore embarking on fiscal sustainability plan.

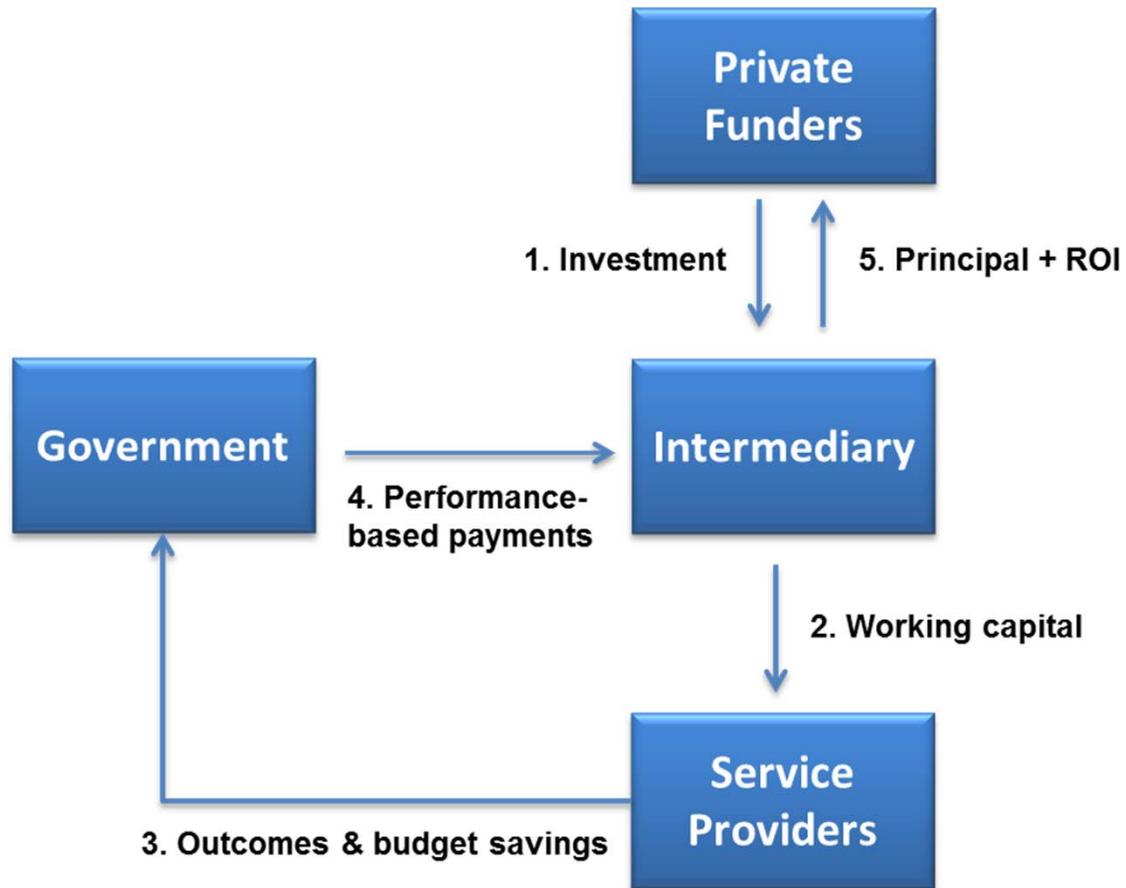
GEOGRAPHY



WHAT IS PAY FOR SUCCESS?



PAY FOR SUCCESS: PARTNER ROLES AND RESPONSIBILITIES

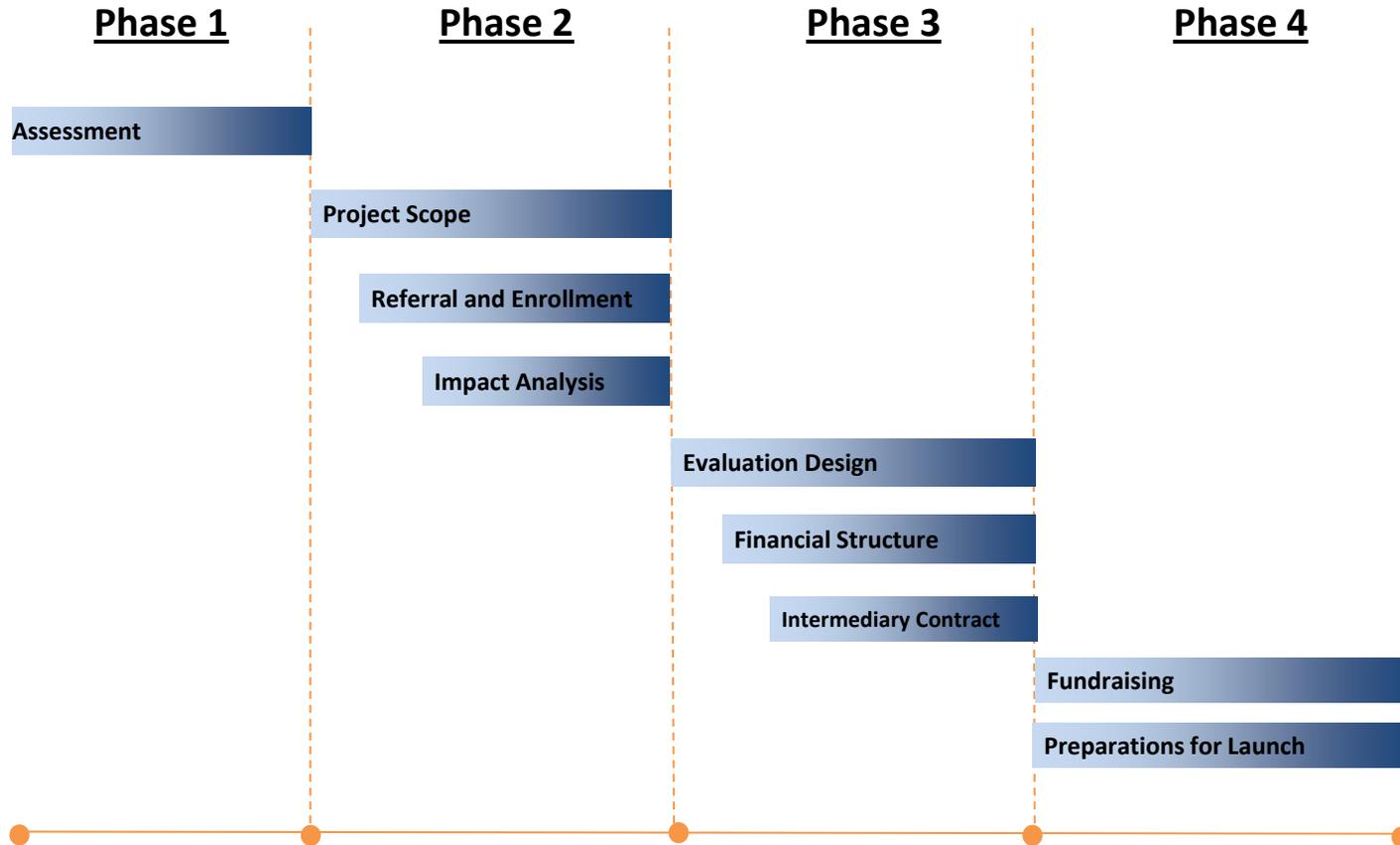


FAMILY STABILITY PFS PARTNERS

- **Government Agency:** DCF
- **Technical Assistance:** Harvard Kennedy School of Government SIB Lab
- **Intermediary:** Social Finance, LLC
- **Program:** Family Based Recovery (FBR), Yale Child Study Center
- **Evaluator:** University of Connecticut Health Center

PROJECT SEQUENCE

Pay for Success Project Development



DCF FAMILY STABILITY PFS PROJECT SCOPE

- **Project will fund 6 Family Based Recovery (FBR) teams for a total of 4 years of service delivery beginning in June 2016.**
- **Target population to be served: 500 families**
- **SCOPE OF FBR EXPANSION:**
 - DCF Region 2 (New Haven): 2 Teams for 3-6
 - DCF Region 3 (Middletown, Norwich, Willimantic): 1 Team for 0-3, 1 Team for 3-6
 - DCF Region 5 (Danbury, Waterbury, Torrington): 1 Team for 0-3, 1 Team for 3-6
- **OUTCOMES:**
 - Reduced out-of-home placement
 - Reduced rates of re-referral
 - Reduced positive toxicology screenings
 - Sustained enrollment in FBR
 - If these are not achieved, the state does not pay.
- **EVALUATION:**
 - Project will utilize a Randomized Control Trial to measure the effect of FBR for 0-3 and 3-6 cohorts.
 - Evaluation will drive outcomes' payments.
 - Opportunity to expand FBR model to serve caregivers with children up to age 6.

NEXT STEPS

- **February 2016: DCF and Social Finance execute contract.**
- **February – May 2016: Social Finance execute contracts with Yale and UCHC.**
- **May 2016: Social Finance secure funder commitments.**
- **June 2016: Launch of Family Stability PFS Services.**

QUESTIONS

FOR MORE INFORMATION:

<http://govlab.hks.harvard.edu/>

<http://socialfinance.org/>

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Chief of Staff

Connecticut Department of Children and Families

***Family-Based Recovery:
A Home-based Treatment for Families Affected
by Parental Substance Use Disorder***

Karen E. Hanson, LCSW

Alcohol & Drug Policy Council

March 1, 2016



Yale SCHOOL OF MEDICINE



The Need for Specialized Treatment

- The reciprocal interaction between substance use disorders and child neglect makes it necessary to treat both issues concurrently
- Clinicians need to focus on promoting stronger parent-child bonds and bolstering parental confidence as a means of breaking the cycle of substance use disorders and neglect

FBR: History

- DCF recognized the need to address the dual challenges of many families: parenting and substance use disorders
- In 2006, DCF partnered with:
 - Johns Hopkins University & the University of Maryland – contingency management substance abuse treatment
 - Yale Child Study Center – attachment-based parent-child therapeutic approach
- Family-Based Recovery (FBR) integrates these two modalities to focus on parenting and substance use disorders through these dual approaches

FBR Treatment

- 2007-2013 – 6 teams partnered with 7 DCF Area Offices
- 2013-Present – 10 teams partner with 14 DCF Area Offices
- Team of three provides services to a caseload of 12 families
 - Two master level clinicians provide:
 - Parent-child-related interventions to 6 families
 - Caregiver sobriety-related interventions to 6 families
 - Group therapy for parent and child
 - A Family Support Specialist supports the clinical work and provides case management services

Criteria for Admission

A family eligible for FBR includes:

- A parent who meets criteria for substance use disorder and has used substances within 45 days of referral
- A child under the age of 36 months for FBR 0 -3
- A child under the age of 72 months for FBR 3-6



Substance Use Disorder Component

Substance Use Disorder treatment component is based on an evidenced-based treatment model: Reinforcement-Based Treatment

FBR believes that positive reinforcement is the most effective means of producing behavior change

- The best way to eliminate an individual's substance use is to offer *competing reinforcers* that can take the place of substance use
- Competing reinforcers: People, Places and Things
- FBR believes that the index child is the primary positive reinforcer

Parent/Child Component

FBR utilizes an Infant Mental Health approach. The Parent/Child clinician will:

- Explore with parent how early relationships with caregivers affect parenting now
- Help parents “wonder” (reflective functioning) about motive for child’s behavior— “*why* is he...?”
- Speak for the child to focus on child’s feelings and needs
- Help parent feel her/his unique importance to child
- Help parent see child as separate being
- Provide developmental guidance

FBR Data and Outcomes

Yale Child
Study Center

SINCE 1911

childstudycenter.yale.edu



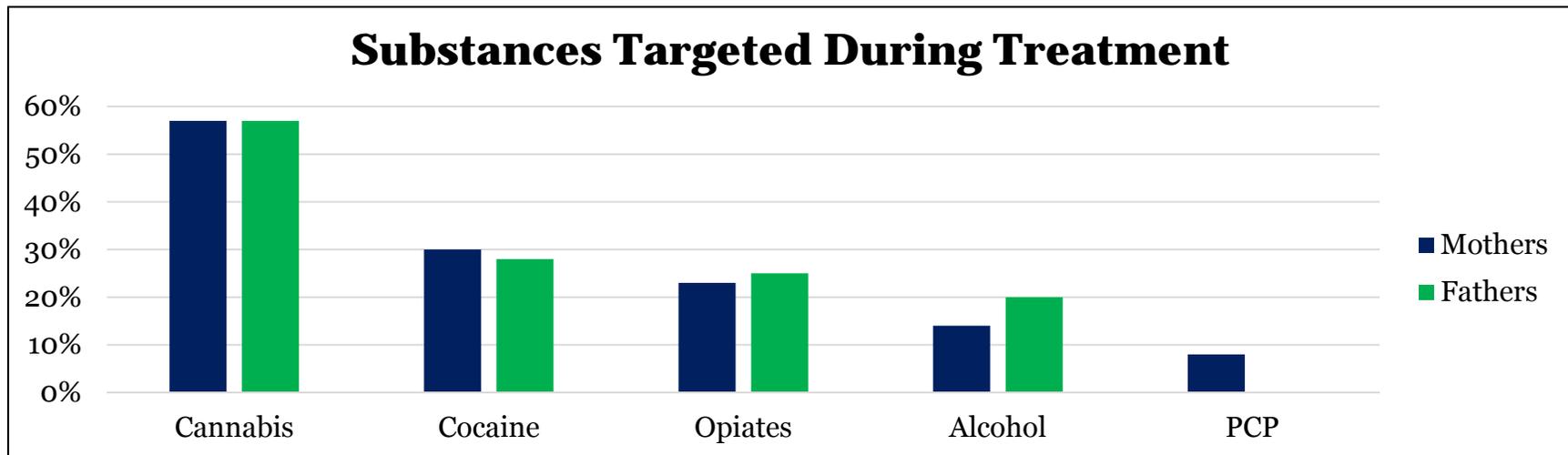
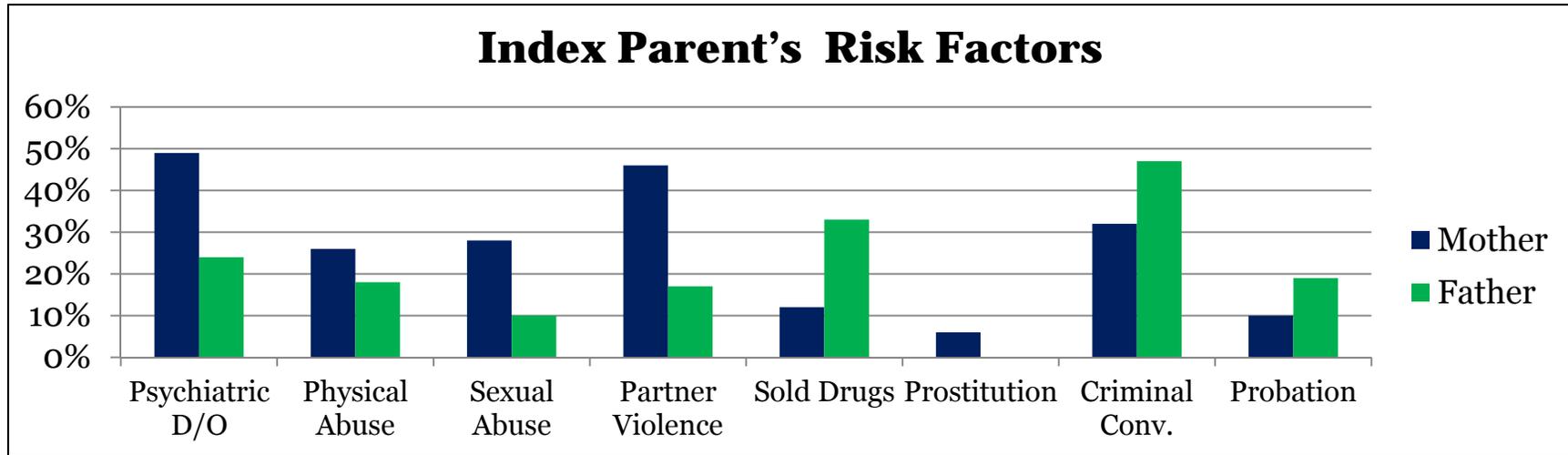
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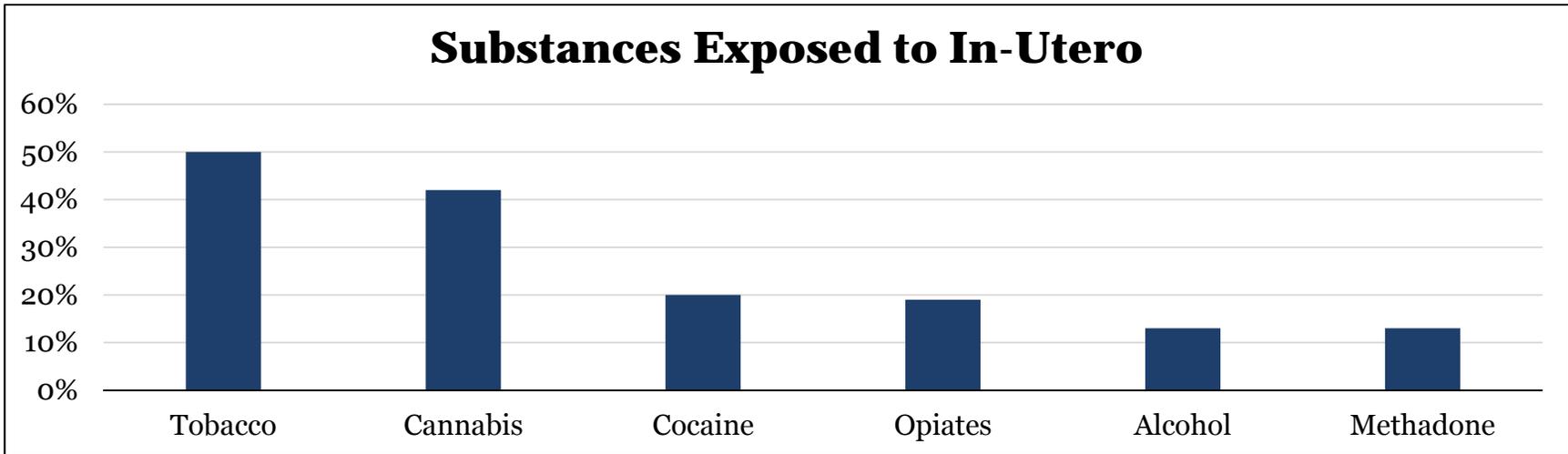
Demographic Data

	Mothers	Fathers	Child
Numbers Served	1056	161	1098
Race/Ethnicity			
Caucasian	51%	58%	43%
African-American	27%	16%	26%
Hispanic/Latino	17%	20%	16%
Biracial	4%	2%	14%
Age			
	27.6 (5.5)	30.1 (7.5)	9.5 (12.4)
Educational Attainment			
Some High School or less	33%	28%	
High School/GED	35%	37%	
Some College	17%	11%	
Trade School	5%	4%	
College Graduate (2 or 4 yrs.)	3%	1%	

FBR Index Parents' Risk Factors



FBR Index Child



Child Characteristics	Mean	Range	Risk Factors
Gestational Age	38 weeks (s.d.+ 2.8)	23 – 42 weeks	23% pre-term
Birth Weight	6.5 lbs (s.d.=1.3)	1.6 – 10.0 lbs	20% low birth wt.

FBR: Outcomes

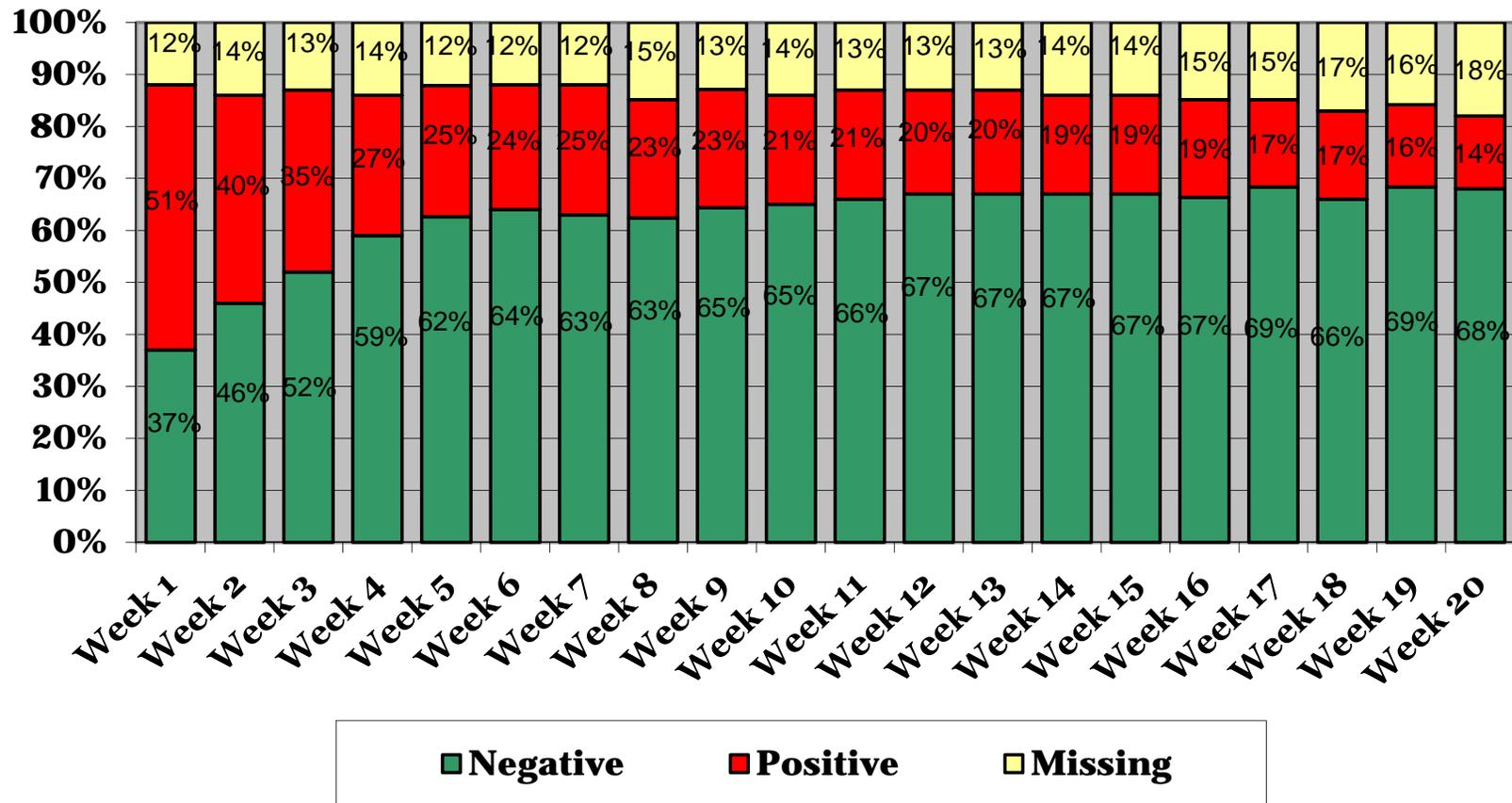
FBR collects clinical measures on parental depression, stress and bonding with index child at intake and discharge

Statistically significant changes in the Total Scores on the Edinburgh Depression Scale, Parenting Stress Index-Short Form and Postpartum Bonding Questionnaire

This suggests that FBR is meeting its goal of improving parental well-being, which we believe benefits the parent-child relationship

FBR: Outcomes

Percentage of Negative Caregiver Toxicology Screens by Week in FBR Program (Program to Date)



Child Placement at Discharge

