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Malloy Administration Launches Innovative Solution to Improve Results for At-Risk Infants, Young Children and their Parents

Pilot two-generational outcomes initiative – first of its kind in the nation – will generate value to families, communities and taxpayers

February 1, 2018 (Hartford, CT) – The Office of Early Childhood (OEC) today announced the launch of an innovative solution to advance brighter futures for children and economic self-sufficiency for families. OEC’s pilot initiative rewards the outcomes that matter most for vulnerable families and infants, from reducing child abuse to increasing parental employment.

The effort is an early result of the renewed cross-branch partnership, made law last October, between Governor Malloy’s Administration and the Legislature. The statute charges the Office of Early Childhood to advance two-generational (2Gen) solutions – recognizing that child well-being depends on parental stability and success. Specifically, the new effort strengthens evidence-based home visiting programs by rewarding the achievement of key results for at-risk families.

“Families and taxpayers deserve our best efforts and our smartest thinking to maximize public investments that produce the greatest impact,” Governor Malloy said. “This endeavor demonstrates that cross-branch collaboration can spur out-of-the-box thinking and breakthrough solutions. This pilot has real potential to move the needle for Connecticut families.”

With the goals of achieving better outcomes for families and measurable results for its public investment, OEC launched the nation’s first outcomes rate card in the early childhood arena paying for child and parent outcomes. An outcomes rate card is a funding innovation through which government defines a menu of outcomes it wishes to “purchase” – such as family economic stability through employment – and the amount it is willing to pay each time that outcome is achieved.

“Children grow, develop and learn in the context of families. Evidence shows they tend to succeed or fail together. That’s why OEC’s mission is to advance great results for children and families,” said David
Wilkinson, Commissioner of Early Childhood, who today shared the announcement at the nation’s largest home visiting conference. “Nationwide, programs typically are funded by the number of individuals who receive a service. OEC’s pilot outcomes rate card enables us to pay for the results that matter most, and do so for the whole family.”

Through its rate card pilot, OEC will use federal funds and philanthropic support from Early Childhood Investments at the Hartford Foundation for Public Giving to pay home visitors for achieving key family goals that also generate value and savings for Connecticut. OEC will make a bonus payment to providers for each family that achieves the following critical outcomes for family stability and success:

- **Healthy Birth**: Avoidance of pre-term birth which presents both immediate long-term risks for children and costs for government.
- **Safe Children**: Avoidance of emergency room visits as well as substantiated child-maltreatment which drive childhood trauma, negative health impacts, and child welfare system involvement.
- **Family Stability**: For highest risk families, the achievement of key, measurable stability goals including attaining child care, health care (such as treatment for maternal depression), and housing for homeless or unstably housed families.
- **Caregiver Employment**: Achievement of attaining and maintaining a job or enrolling in and completing proven education or training programs, thereby advancing family economic stability and success while reducing dependence on safety net programs.

In a joint statement, Senator Marilyn Moore and Representative Jeff Currey, co-chairs of the Two-Generational Advisory Council created by the 2Gen legislation: “If we want babies to be healthy and grow strong, we need parents to succeed. That is the core insight of the 2Gen approach. OEC’s rate card innovation is an exciting step towards delivering on the promise of 2Gen: thinking outside of the normal agency box to reward results for both children and parents. We hope this proof point will help spur the systems change Connecticut needs to more efficiently deploy tax payer resources by better focusing on whole-family results rather than fragmented care within agency siloes.”

Social Finance, a national leader in aligning public investment with outcomes, designed the outcomes rate card pilot structure with OEC with a Federal Social Innovation award. The Governor’s Office supported OEC to win the award in collaboration with the Yale Child Study Center.

“This pilot represents the kind of agile, innovative decision-making we believe all government leaders could embrace,” said Tracy Palandjian, co-founder and CEO of Social Finance US. "Outcomes rate cards build on the innovative model of Pay for Success, accelerating the speed from concept to implementation. Our partners in Connecticut are leading the way in bringing this tool to improved early childhood outcomes for those in need."

The Hartford Foundation for Public Giving is contributing outcomes payments for Hartford-area providers, an essential investment in making the statewide effort possible. “Our public-private partnership with OEC demonstrates how two community-serving entities that share common principles, beliefs, and approaches can partner to achieve what is best for Connecticut’s children and their families,” said Richard Sussman, Director, Early Childhood Investments at the Foundation.
The OEC outcomes rate card pilot is aligned with the family-centric approach of evidence-based home visiting models that tailor services to the needs of individual parents and children. In selecting the preferred outcomes for the federal home visiting programs, OEC and Social Finance looked to those that generate value to families, communities, and government; are measurable, observable and can be linked to Connecticut’s administrative data systems; and focus on two-generational impacts.

The federal government has taken interest in OEC’s rate card pilot as a model that may be replicated nationwide if successful. “Evidence shows home visiting is effective at achieving outcomes for families and has captured considerable Pay for Success interest,” said Dr. David Willis, Director of Home Visiting and Early Childhood Services at the federal Department of Health and Human Services. “Connecticut’s new approach with an outcomes rate card rewards providers for key results that strengthen families. The rate card approach may make outcome contracting simple for small home visiting providers. This pilot incentivizes quality in a way that is notably innovative.”

Read more about Connecticut’s Outcome Rate Card Pilot here.

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About the Office of Early Childhood

The Connecticut Office of Early Childhood advances a family-centered approach to support young children and families. Integrating early childhood programming formerly administered by five separate state agencies, OEC serves children each year through programs including child care, pre-K, home visiting, health and safety assurance, early intervention and parenting supports. Through this integrated approach and collaborations with other state agencies, OEC works to advance better coordinated, more cost-effective services that yield measurable results for Connecticut’s children and families.

About 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 Pay for Success to tackle complex social challenges, facilitate greater access to services for vulnerable populations, and direct capital to evidence-based social programs – all with the goal of measurably improving the lives of people most in need. Social Finance has deep experience in the design and implementation of Pay for Success projects, from early-stage feasibility assessment, to project development and capital formation, to post-launch performance management and investment support. Social Finance’s sister organization, Social Finance UK, pioneered the first social impact bond in the world.

About the Hartford Foundation Public Giving

The Hartford Foundation for Public Giving is the community foundation for Hartford and 28 surrounding communities. Made possible by the gifts of generous individuals, families and organizations, the Foundation has awarded grants of more than $680 million since its founding in 1925. For more information about the Hartford Foundation for Public Giving, visit www.hfpg.org or call 860-548-1888.