Integrated Data are Key to “Pay for Success”

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How a county government uses integrated data to improve services for homeless mothers and their children and implement a pioneering public-private funding partnership

CASE STUDY I

Integrated Data Are Key to "Pay for Success"

Individuals and families who receive social services often struggle with an array of interrelated problems requiring simultaneous assistance from multiple agencies. But efforts to coordinate care are often impeded because information about these individuals and their service histories are housed in separate administrative data systems and typically are not shared across agencies. Without a full picture of service use and outcomes among overlapping caseloads, it is difficult for policymakers and program administrators to design cross-agency collaborations and allocate resources efficiently. And it is almost impossible for them to track and understand the ways that services provided by one system can affect outcomes in another.

With the emergence of "pay for success" programs, state and local governments have new opportunities to align services and demonstrate how service delivery investments in one system can improve outcomes in others and potentially save money. Integrated data systems that track individuals and families across different agencies are proving invaluable in these new efforts as well as in more traditional approaches to service coordination.

This brief explores how one county — Cuyahoga County, Ohio — used an integrated data system (IDS) to develop an innovative pay for success program to serve a particularly vulnerable population: homeless mothers who have children in the child welfare system. The goal of Partnering for Family Success (Family Success) is to provide a more coordinated system of care that reduces the time children of homeless mothers spend in foster care.[1] Family Success provides housing and supports that help mothers reunite more quickly with their children or allow the child to enter an alternative permanent placement.[2]

Partnering for Family Success is the first county-level program in the United States to use an innovative funding mechanism known as pay for success or social impact bonds. Introduced in the United Kingdom in 2010, pay for success programs have attracted widespread interest in the United States. They allow private and philanthropic investors to provide upfront funding to governments to operate and test promising, evidence-based social programs that have potential to save money for government. Unlike traditional philanthropic grants, the funding that supports pay for success programs is treated like an investment: funders are paid back out of tax dollars if — but only if — the program is shown to be effective and generates savings for government. (For more information on these programs, visit www.thirdsectorcap.org and www.payforsuccess.org.)

Many pay for success programs involve delivering services and tracking results in ways that cross agency boundaries. Planning, managing and evaluating these efforts therefore requires information that is linked together from various administrative data systems. In Family Success, the investors are funding comprehensive services for homeless

An **integrated data system (IDS)** periodically links individual-level administrative data from multiple public service agencies and contracted service providers, creating a rich picture of individual service needs, participation and outcomes over many years. In some systems, individual records are linked together to form comprehensive, longitudinal household and family records. An IDS can be operated at the state, county or city level within government or by nonprofit or university partners. By offering large sample sizes, longitudinal data and the ability to identify multisystem clients, integrated data systems are valuable tools for policy analysis, program planning and monitoring and evaluation. Due to the confidential and sensitive nature of the data, organizations that house an IDS carefully follow privacy laws, securely store data and maintain rigorous standards for use and access. For additional information, visit www.aecf.org/IDS, www.aisp.upenn.edu and www.neighborhoodindicators.org/resources-integrated-data-systems-ids.

mothers but will be paid back from the savings generated from reductions in the time the children of these homeless mothers spend in out-of-home care. Using a mature, preexisting IDS — as the Cuyahoga County partners were able to do — greatly facilitates the complex process of developing a pay for success program.

The challenge: Constructing a pay for success program

Spurred by interest and financial support from The George Gund Foundation, Cuyahoga County officials issued a request for responses in October 2012, asking for project ideas from organizations interested in partnering with the county on a pay for success initiative. A number of organizations submitted ideas, but it wasn't until researchers at the Center on Urban Poverty and Community Development at Case Western Reserve University (CWRU) used the county's IDS to examine linked data from the homeless administration and the child welfare system that county officials were able to identify a target group and a service intervention strategy that made programmatic and financial sense. Only when these elements were in place, could the planning consortium develop a detailed plan for its pay for success initiative.

IDS data were critical to designing, financing and evaluating Family Success

To design Family Success, the Cuyahoga County consortium needed an accurate picture of a high-need, high-cost population of families who receive services from the homeless and the child welfare systems. To develop this picture, CWRU researchers required information collected by two separate agencies but linked through the ChildHood Integrated Longitudinal Data System (CHILD), the IDS launched by CWRU in 1999.[3] On the one hand, the Office of Homeless Services collected information about the mothers, but not about their children if the women entered the system without children. On the other hand, the Division of Children and Family Services (DCFS) had information about children receiving child welfare services and some information about their mothers, but did not necessarily know when mothers became homeless.

The **ChildHood Integrated Longitudinal Data System (CHILD)**, developed in 1999, is a secure system containing data from some 18 separate administrative systems in Cuyahoga County, Ohio, including public assistance, housing, child and family services, health and mental health and education. Developed, housed and maintained by the Center on Urban Poverty and Community Development at Case Western Reserve University, CHILD has records on more than 500,000 children who were born in or have lived in Cuyahoga County since 1992. CHILD is used for planning, monitoring and evaluation to improve services to families in Cuyahoga County. Core funding for CHILD has been provided by Cuyahoga County and The George Gund Foundation. For details, visit povertycenter.case.edu/data-systems/child-data-system.

Getting a more precise picture of these vulnerable families required looking across not only systems but also generations, using a "two-generation" lens to understand the interplay between what happened to the mothers and what happened to their children. To produce such a picture, analysts had to construct a family history that would connect a child in foster care to a homeless mother and to any siblings who were also in foster care.

Using IDS data, CWRU researchers discovered that the overlap population was smaller than expected but large enough to be a significant concern. While less than 10 percent of families receiving homeless services have children in the foster care system, these children (most of whom are under age 6) spend considerably more time in care than children in families with housing.

The researchers studied a cohort of 987 children who entered an out-of-home placement in 2010 and followed their progress through 2012. The 78 children whose mothers became homeless spent at least 30 percent longer in child welfare custody than children whose mothers were not homeless. At 710 days, the median length of stay of children of homeless mothers was nearly nine months longer than that of other children on the child welfare caseload.

In addition to being homeless, the mothers struggle with an array of problems — substance abuse, mental illness and the effects of domestic violence — that make it difficult to provide a safe and stable home environment for their families. All of these issues need to be addressed before mothers can safely reunite with their children. Using the IDS, researchers were able to develop basic information about the population that Family Success planned to serve, including the potential size of the population of homeless women with children in foster care, the number of children who would likely be in care and the length of time children would likely spend in care over five years.[4]

These data were not only informative but also actionable, allowing program developers to design an appropriate intervention that addressed families' needs. In addition, the researchers at CWRU could design a rigorous evaluation that could test the effectiveness of a program providing a more targeted set of services and supports than the current, highly fragmented mix. And they could estimate the potential savings for the county government if the new program succeeded in reducing the time children of homeless mothers spend in child welfare custody. An evaluation and a method for determining cost savings are required components in pay for success programs; in Cuyahoga County, both rely on data in the IDS.

The agreement: Partnering for Family Success program description

Using the IDS data on homeless mothers with children in child welfare custody, the consortium of county officials, nonprofit agencies and private and philanthropic funders sponsoring the pay for success initiative crafted a service program, an evaluation and a financing model. The consortium chose a promising, evidence-based intervention developed by a long-term service provider in Cuyahoga County, FrontLine Service. Partnering for Family Success provides a mix of housing assistance and housing resources, behavioral health services, an innovative trauma support intervention (known as Trauma-Adapted Family Connections) and intensive case management (known as Critical Time Intervention) to homeless caregivers with children in foster care. Staff continue to work with the family, including the children,

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once the family reunites. Partnering for Family Success will serve a total of 135 homeless mothers with an estimated 270 children in foster care, working with them for 12–15 months. Mothers will enter the program in cohorts of 45 participants per year for three years. Another 135 families will be enrolled in the comparison group that receives conventional services.

The expectation is that the Family Success intervention will reduce the time children spend in foster care by helping to stabilize families and enabling caseworkers to make better informed, more timely decisions about family reunification or an alternative permanent placement for children. CWRU researchers are conducting a randomized controlled trial — the gold standard in program evaluation — to test the effectiveness of Partnering for Family Success. The measure of success is whether the program intervention reduces the number of days children of homeless mothers remain in foster care, compared with families who receive standard services offered by the county. CWRU researchers will use data from the IDS to conduct the evaluation.

Based on IDS data, researchers at CWRU estimated that if the county simply continued its standard services, the cost of providing foster care to the target population would amount to $35 million over five years. But if the intervention succeeds in reducing the number of days children in the program group spend in care by 25 percent over five years, Family Success can save the county $4.3 million in child welfare costs. (These calculations estimate the daily cost of a child welfare placement as $75.) Based on these figures, the Family Success sponsors agreed that the county will pay back the investors $75 for every day of reduced care, up to a maximum of $5 million. Any additional savings will be retained by the county. These projections helped to convince the Cuyahoga County Council to appropriate $5 million for paying back investors if Family Success proves effective.

Making service improvements on the ground

The Family Success plans were in place by the summer of 2014. A "ramp up" pilot program working with 11 families ran from July 2014 to October 2015. This trial program provided opportunities for staff to test the referral and enrollment procedures, become familiar with the new service offerings, develop relationships to foster coordination and refine specific program offerings before the formal evaluation period began.

Partnering for Family Success launched in January 2015, and study enrollment will continue through 2017. In its operating phase, Family Success continues to pioneer procedures, positions and tools to coordinate and align services and resources across several systems that touch the lives of these vulnerable families. These services include:

- **Removing housing barriers.** Spurred by what it learned from the IDS about the length of time children with homeless mothers spend in child welfare, the Cuyahoga Metropolitan Housing Authority agreed to give a "high priority preference" to homeless mothers who are enrolled in FrontLine Service. This means that mothers don't have to go to the bottom of a waiting list for housing and can more quickly access the two- or three-bedroom apartments needed to accommodate their children. Since child welfare rules require mothers to have suitable space to reunite with their children, this change addresses a "Catch-22" situation that created a barrier to family reunification.

- **Quickly identifying eligible families.** To operate Family Success effectively, staff need to know as quickly as possible which mothers entering the homeless

system are eligible for FrontLine Service. To make that determination, the Family Success coordinator (housed within the DCFS) reviews Homeless Management Information System data on a regular basis to identify new entrants. The coordinator then manually matches information about these women to data provided by the child welfare system to determine whether the women have children in an out-of-home placement where reunification is the case goal.

- **Connecting homeless mothers and their families to other public benefits and supports.** DCFS administrators are also making efforts to ensure that mothers enrolled in Family Success access the benefits for which they are eligible in other human service systems — for example, Temporary Assistance for Needy Families (TANF). TANF pays benefits that can supplement family income after reunification and provides employment-related assistance for reunited families. The assumption was that the homeless mothers would have exhausted their TANF eligibility, but when CWRU researchers matched child welfare and public assistance data, they found this was often not the case. FrontLine case managers work with families to access all benefits and supports available to them. In addition, DCFS is exploring methods to streamline case managers' efforts to help families gain access to available resources.

Value added by the IDS: Faster, better, cheaper

Researchers, county administrators, service providers and funders all attest to the central role the IDS has played in designing, implementing and testing Cuyahoga County's Family Success program, allowing a broad team of actors to coalesce around an innovative service model for homeless mothers who have children in foster care. "If not for the IDS, Partnering for Family Success wouldn't have happened," says David Merriman, administrator for Cuyahoga Job and Family Services in the Department of Health and Human Services. "We needed the data on homeless mothers and children in child welfare to develop the Family Success program, and we wouldn't have had the data if it weren't for the IDS."

David Crampton, an associate director of the Center on Urban Poverty and Community Development at CWRU, agrees: "Without the IDS, nobody knew how big this population was, or how long the children were in foster care. Analyzing the overlap through the IDS showed that it was sizable. The data also made it clear that we weren't getting the results we wanted from our current programs."

Family Success partners agree that having an IDS already in place — with data available, cleaned and linked, and use agreements and privacy protocols worked out — saved months of work during the project's development phase. CWRU's reputation as an experienced and trusted data source, and its long history of working with county staff, nonprofit providers and philanthropic funders also facilitated the development process.

Assessing the Cuyahoga County experience, Third Sector Capital Partners, a technical assistance provider that works with state and local governments to design pay for success initiatives, draws this lesson for other jurisdictions: "Invest in integrated data systems now."

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- David Crampton, Center on Urban Poverty and Community Development at Case Western Reserve University

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Endnotes

1 In the context of this project, "homeless mothers" includes other caregivers as well as mothers and situations of housing insecurity along with literal homelessness.

2 This case study is one of a series that shows how state and local policymakers and practitioners use IDS data to improve policies, programs and practice. Case Study #2 *Using Integrated Data Systems to Improve Child Welfare Outcomes* discusses how the states of Wisconsin and Washington have used an IDS to identify and change TANF and child support enforcement policies that lengthen the time children remain in child welfare placements. For more information, visit www.aecf.org/IDS

3 CWRU is one of the founding partners of the National Neighborhood Indicators Partnership (NNIP). NNIP comprises independent data intermediaries in 30 cities that have a shared mission to help community stakeholders use data for better decision making. A number of NNIP partners maintain or work with an IDS. For more information, visit www.neighborhoodindicators.org

4 Between 2010 and 2013 more than 250 women who entered the homeless system had children in child welfare custody. They had an average of two children and the children spent about 2.5 years in care over a five-year period.

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