

Pay for Success in the U.S.

Summaries of Financed Projects

July 2015



INSTITUTE *for* CHILD SUCCESS



ICS's work to develop early childhood PFS is supported by the Corporation for National and Community Service's Social Innovation Fund.

(by)

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Institute for Child Success

Cuyahoga County Partnering for Family Success

Policy Area

Homelessness, Child Welfare

Policy Problem

Extended time in the child welfare system results in poor outcomes for the County's most vulnerable children and leads to higher costs to the County.

Providing caregivers access to housing as well as emotional and practical support before they are reunited with their children allows reunification decisions to happen sooner and children to exit foster care earlier.

Jurisdiction (Implementation Sites)

Cuyahoga County, Ohio

Who is Paying for the Outcomes?

Cuyahoga County, Ohio

Organization(s) Delivering Services

FrontLine Service, The Cuyahoga Metropolitan Housing Authority, Emerald Development and Economic Network Inc, Famicos Foundation

Intervention(s)

- Critical Time Intervention (CTI), an evidence-based case management model for homelessness transition
- Housing resources
- Individual and family-based trauma therapy

Approximate Program Cost per Participant

Intermediary: Coordinator & Borrower

Enterprise Community Partners is the project coordinator with transaction development and advisory support from Third Sector Capital Partners, through Cuyahoga PFS, LLC.

Program Evaluator

The Center on Urban Poverty and Community Development at the Jack, Joseph and Morton Mandel School of Applied Social Sciences at Case Western Reserve University

Validator	N/A
Outcome Metric(s)	Length of stay in out-of-home foster care
Evaluation Design	Eligible families, as identified by Cuyahoga County's Homelessness Management Information System (HMIS) and the Domestic Violence and Child Advocacy Center and Emergency Shelter (DVCAC), are randomly assigned to a treatment or control group at the point of referral. Success will be gauged by the reduction in the combined number of out-of-home placement days for children in the treatment group versus the control group. Three cohorts will participate in the program over the course of four years; each cohort will be treated for 12–15 months. Cohort One will be observed for the full five years, while Cohorts Two and Three will be observed for four and three years, respectively. The non-observed days in Cohorts Two and Three will be forecasted according to the intervention performance of the first cohort.
Target Population (Criteria and Size)	135 caregivers identified as homeless, who have children currently in Department of Children and Family Services (DCFS) temporary out-of-home placement.
Size of Investment	\$4 million
Total Payments Possible (Investment & Return)	\$5 million (\$4 million + 1 million maximum return over)
Term / Timeframe (Intervention & Evaluation)	12–15 months of intensive treatment to 135 families, enrolled over the course of 3 years. Total project duration 5 years (4 years delivering intervention and 1 year wind-up in which success payments are calculated).
Investors: Deal Structure/ Capital Stack (Annual Return if Available)	<p>Senior Debt: \$1,575,000, The Reinvestment Fund (5%)</p> <p>Subordinate Debt: \$725,000 (2%); \$275,000 (0%); The George Gund Foundation \$325,000; Nonprofit Finance Fund (2%) \$750,000; The Cleveland Foundation (2%) \$150,000 (recoverable grant); \$200,000 (2%); Sisters of Charity Foundation of Cleveland</p>
Payment Terms: Risk Sharing Structure	Risk 100% shifted as payment is made based on overall reduction of out-of-home foster care days for treatment vs. control.
Payment Terms: Details on Payment per Outcome, Payment Period	Success Payments will be based on the difference in out-of-home placement days avoided between the control group and the treatment group. The payments will equal \$75 per child per reduced out-of-home placement day. The final outcome will be calculated after intervention services have ended in December 2018 (Q16). Payments will be made in January or February of 2020 (first 45 days of Q21).
Date Announced	December 3, 2014
Implementation Start	September 2014 (Pilot) January 2015 (PFS project)
Interim Outcome Dates	None

**Legislation for
Appropriation Risk**

Yes, Ordinance No. 02014-0018, effective July 2014

Other Notes

N/A



INSTITUTE *for* CHILD SUCCESS

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The Institute for Child Success is fueled by BlueCross BlueShield of South Carolina, an independent licensee of the BlueCross and BlueShield Association, and by the Mary Black Foundation.

The Institute for Child Success is a non-profit, non-partisan research and policy organization that fosters public and private partnerships to align and improve resources for the success of young children in South Carolina and beyond. A partnership of the Children's Hospital of the Greenville Health System and the United Way of Greenville County, ICS supports service providers, policy makers, and advocates focused on early childhood development, healthcare, and education to build a sustainable system that ensures the success of all children, pre-natal through age five.