



Washington State Department of
CHILDREN, YOUTH & FAMILIES

Office of Innovation, Alignment, and Accountability

Introduction to Performance Based Contracting

DCYF's Office of Innovation, Alignment, and Accountability (OIAA) builds DCYF capacity to make evidence-informed decisions, continuously learn and improve, and successfully enact system reform

DCYF Performance-Based Contracting (PBC)

Goals



Ensure state resources are directed toward high-performing contractors



Encourage and support all contractors to continually improve



Use PBC as a tool to help eliminate disproportionality and disparities

Key Principles



Build on and acknowledge teams' prior experiences with PBC



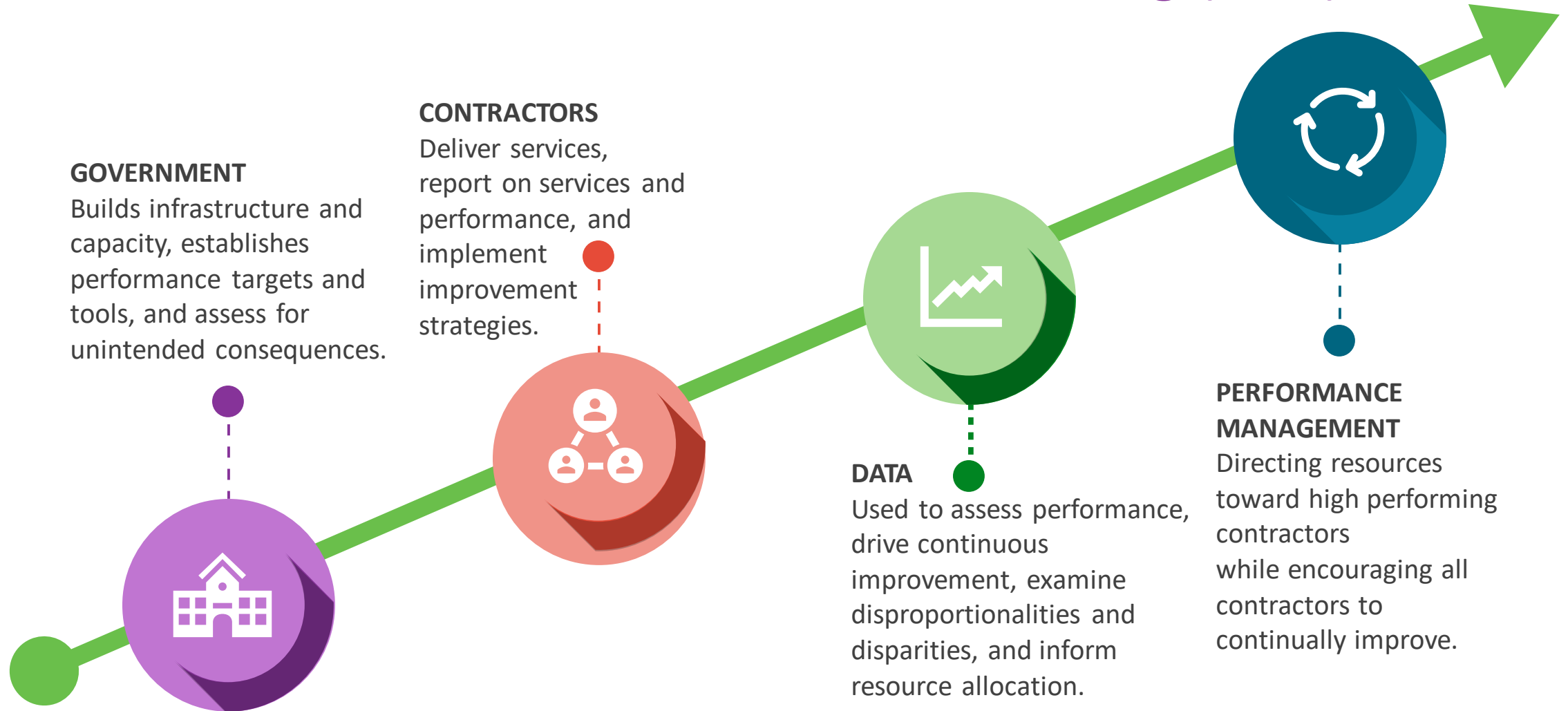
It takes a village - partnership at each step of the process is key



Leverage existing measures and state / federal reporting requirements



What is Performance Based Contracting (PBC)?





DCYF Performance Based Contracting Structure Contracts for Client Services

Contracts for DCYF's client population that provide services or education to improve client outcomes, in alignment with the strategic priorities of DCYF.

- Contracts for client services inside DCYF are grouped for Performance Based Contracting management, we call these Contract Groups.
- Performance Based Contracting occurs at the program level.
- If DCYF staff are providing the direct service, this program or practice is not a part of Performance Based Contracting (PBC).

DCYF Performance Based Contracting Structure Contracts for Client Services

Definition

Any group of contracts that serve our client population by providing services or education to improve the desired outcome which are in alignment with the priorities of DCYF.

PBC Contract Group Phased Implementation

Performance Based Contracting began in 2018, with just four contract groups and has added an additional 21 contract groups over the last four years. **The process is deliberately phased to allow contracted service provider and partner input, evaluation, review of best practices and current services, and for data reporting and collecting.**

Client service contracts have been placed into 25 contract groups to group similar services together for evaluation. Out of the 25 groups, 18 groups are currently engaged with the PBC phased process, with six Juvenile Rehabilitation contract groups initiating work.

Contract Groups by Phase: contract groups in each phase focus on different aspects of PBC.

Phase 1: Service metrics and foundational research.

Phase 2: Quality and Outcome metrics and creation of a data dashboard with the assistance of data analytics.

Phase 3: Continuous improvement and ongoing management.



Key Performance Areas

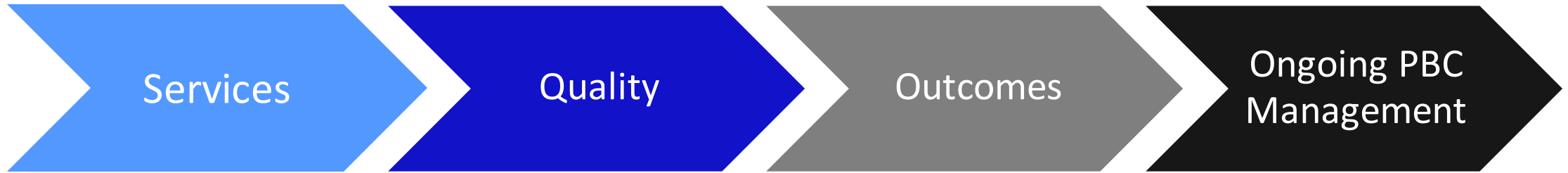
PBC works in four areas:

1. Link services (what we do) to quality metrics (how well we do it) to help influence outcomes (the results for children, youth, and families).
2. Build logic models based on existing measures (from state or federal requirements).
3. Engage with stakeholders as partners and Tribal governments to ensure equitable and collaboration of efforts.
4. Data analytics to align with DCYF outcome goals for children, youth, and families.

By focusing on these key performance areas, PBC can evaluate the effectiveness of programs with a focus on disproportionality and disparity within program areas. Each DCYF contract group uses the key performance areas to identify client-level services, a quality metric (including a target and a performance management tool) and an outcome metric (including a target and a performance management tool) to incorporate into existing contracts. PBC will incorporate more metrics in future contract iterations as client-level service data is available for analysis and with the support of stakeholder engagement.

Framework Essentials

PBC Phased Approach To Measuring Performance



GOAL Statement of Work identifies what services will be provided to clients and demographics (# and/or description)

GOAL Statement of Work identifies at least one (1) quality metric, target, and performance management tool

GOAL Statement of Work identifies at least one (1) outcome metric, target, and performance management tool

GOAL Continuous improvement and performance monitoring processes fully implemented and refined over time



Framework Essentials

Performance-Based Contracting (PBC) Standards

PBC measures will be selected based on:

- Existing **state and federal requirements**
- **In partnership** with service providers and other key stakeholders providing input
- **Data** analysis results (support from data analytic partners)
- **Alignment** with at least one **DCYF Outcome Goal**

SERVICES
(What)

Statement of Work identifies what services will be provided to clients and demographics. (# and/or description)



QUALITY
(How)

Statement of Work identifies at least one (1) quality metric, target, and performance management tool.



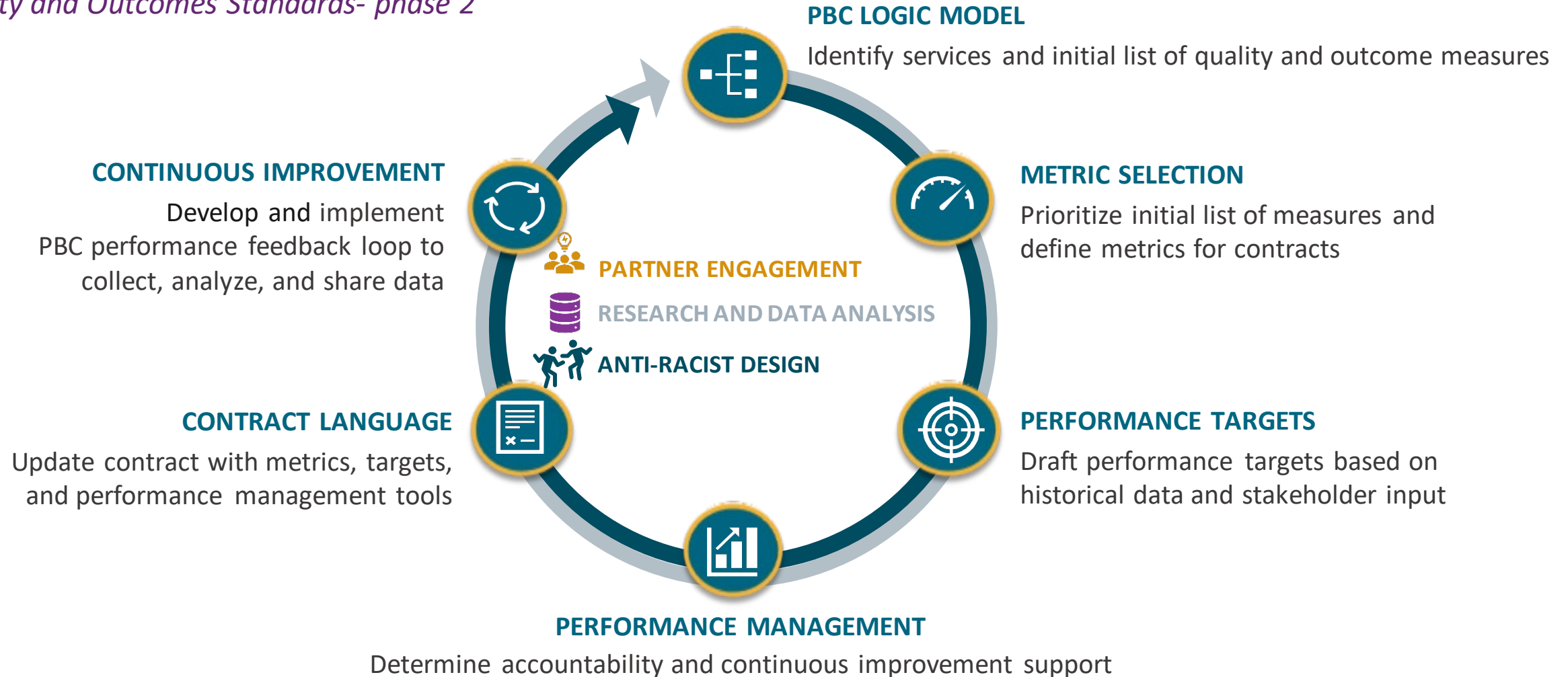
OUTCOMES
(Results)

Statement of Work identifies at least one (1) outcome metric, target, and performance management tool.



Performance-Based Contracting (PBC) Process

Quality and Outcomes Standards- phase 2



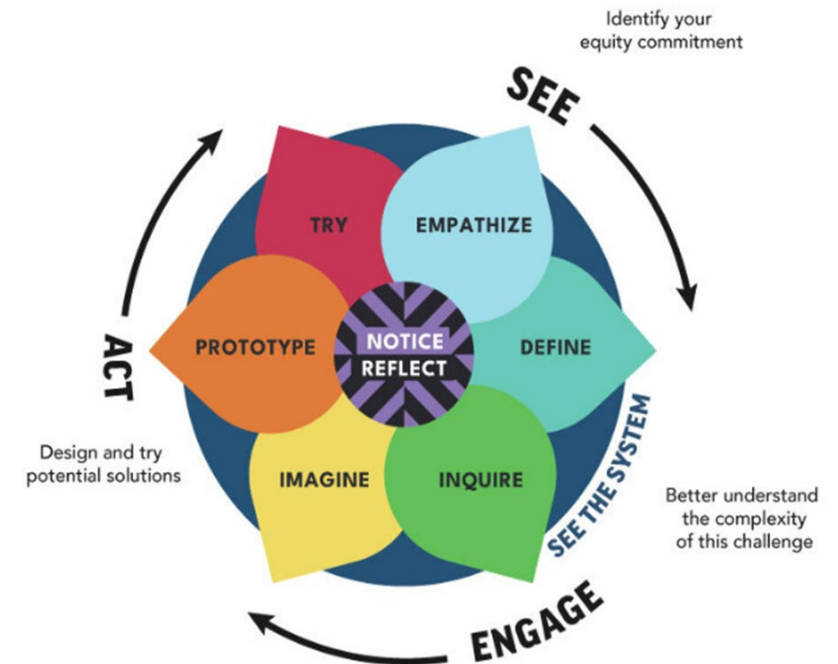
Equity at the Center of the Work

All children and youth deserve to thrive. To achieve this, we need both governmental responsibility and personal commitment to be anti-racist. The PBC Performance Improvement team is committed to ongoing personal growth and team development to intentionally build capacity, engage partners, and build system frameworks grounded in equity.



Partner Engagement and Input

- PBC continues to build on its equity commitment by focusing attention on partner input, engagement, and feedback. Our external partners are the key to understanding the service needs of the populations served, equitable quality metrics, and improving outcomes.
- Partner engagement can range from informing where the agency is heading to full shared leadership of an entire project. PBC utilizes a continuum of partner engagement on many different levels for involvement in decision-making and in collaboration. Each contract group identifies its partners to guarantee all voices are heard throughout the process.



¹Liberatory Design Principles



How We Engage

Increasing Impact on Decision-Making and Implementation¹

	INFORM	CONSULT	INVOLVE	COLLABORATE	SHARE LEADERSHIP
Style	Partners kept informed with timely updates	Partners leaned on for feedback and advice	Partners invited to decision-making conversations	Partners help lead decision-making conversations	Partners are decision makers
Methods/ Examples	Partners receive information through fact sheets, newsletters, websites, updates during regional meetings	Partners provide feedback through surveys, focus groups, webinars	Partners listen and participate in PBC workgroup	Partners develop agendas and lead discussions in PBC workgroup	Partners co-write and approve contract language; decisions cannot be made without their consent

There are many different ways partners may be engaged at each step in the PBC implementation process. Engagement can range from Informing to Sharing Leadership.

¹ Engagement tiers follow the [Home Visiting Applied Research Collaborative \(HARC\) Model](#) for participatory engagement

Data and Research

DCYF's Office of Innovation, Alignment, and Accountability (OIAA), Department of Social and Health Services (DSHS) Research and Data Analysis (RDA), and Department of Health (DOH), have partnered with the contract groups to take on the large task of the data analytics portion of PBC. Each contract group has a dedicated entity assisting in:

- Review of literature for best practices.
- Review of current program data.
- Developing the necessary client-level data needs for new or existing metrics.
- Creating PBC dashboards to support an ongoing PBC feedback loop for service providers.

Data analytics are vital to ensuring that contract groups can establish metrics that connect to outcomes and to review service, quality, and outcome metrics for continuous improvement.

Phase 1

Services Standard &
Foundational Research

Adolescent Housing

Placement Services &
Placement Support
Services

Behavioral Health

Phase 2

Quality and Outcomes Standards

Independent Living Services (ILS)

Combined In-Home Services (CIHS)

Family Time

Behavioral Rehabilitation Services (BRS)

Adoption Services

Early Support for Infants and Toddlers (ESIT)

Strengthening Families WA (SFWA): Home Visiting

Early Childhood Intervention and Prevention
Services (ECLIPSE)

Juvenile Courts

JR Reentry

Tribal Services

Phase 3

Ongoing Management
& Metric Review

SFWA: Community-
Based Child Abuse
Prevention (CBCAP)

Early Childhood
Education and
Assistance Program
(ECEAP)

Office of Juvenile Justice
(OJJ)



DCYF Contract Groups

Contracts for Client Services, September 2023

All Divisions

1. Tribal Services (CJAA and ICW)

Early Learning

2. Early Childhood Education and Assistance Program (ECEAP) with Early Childhood Intervention and Prevention Services (ECLIPSE)

Juvenile Justice (JR & OJJ)

3. Juvenile Court

4. Reentry

5. Physical Health & Safety

6. Behavioral Health

7. Legal Services

8. Cultural Services

9. Jail/Detention Services

10. Transformational Mentoring

11. Housing

12. Office of Juvenile Justice (OJJ)

Partnership, Prevention & Services

Family and Community Support

13. Early Support for Infants and Toddlers (ESIT)

14. Strengthening Families WA (SFWA): Home Visiting

14. SFWA: Community-Based Child Abuse Prevention (CBCAP)

Integrated System of Care

16. Adolescent Housing

17. Behavioral/Mental Health

Practice Supports & Quality Improvement

18. Placement Services

19. Placement Support Services

20. Behavioral Rehabilitation Services (BRS)

Service Continuum





21. Independent Living Services (ILS)

22. Combined In-Home Services

23. Family Time

Child Welfare

24. Adoption Services

-  = Phase 1
-  = Phase 2
-  = Phase 3
-  = Planning



Child Welfare

Partnership, Prevention and Services

Juvenile Justice

Early Learning

Tribal Services

Adoption Services

Adolescent Housing
 Behavioral Health
 Behavioral Rehabilitation Services (BRS)
 Independent Living Services (ILS)
 Combined In-Home Services (CIHS)
 Family Time
 Early Support for Infants and Toddlers (ESIT)
 Placement Services & Placement Support Services
 Strengthening Families WA (SFWA): Home Visiting
 SFWA: Community-Based Child Abuse Prevention (CBCAP)

Juvenile Courts
 JR Reentry
 Office of Juvenile Justice (OJJ)
 Behavioral Health/SUD
 *an additional six contract groups will be added during FY24.

Early Childhood Education and Assistance Program (ECEAP) and
 Early Childhood Intervention and Prevention Services (ECLIPSE)
 *aligning together

Legend:
 Phase 1 Contract Groups
 Phase 2 Contract Groups
 Phase 3 Contract Groups

PBC Deliverables



Appendix: PBC Elements



Research



Logic Model



Metric Selection



Performance Targets and Management



Contract Language



Continuous Improvement



Logic Model Template

SERVICES <i>(Activities and Outputs)</i>	QUALITY <i>(Process Measures)</i>	PROXIMAL CLIENT OUTCOME <i>(Immediate Results)</i>	PERFORMANCE MANAGEMENT TOOL (PMT)	DISTAL CLIENT OUTCOME <i>(Overall Results)</i>	DCYF GOAL(s) <i>supported by contracted services</i>
Description of Services # Served - Eligible - Enrolled - Completed		+	+	=	Resilience <input type="checkbox"/> Children and youth are supported by healthy relationships with adults <input type="checkbox"/> Parents and caregivers are supported to meet the needs of children and youth <input type="checkbox"/> Family economic security Education <input type="checkbox"/> Kindergarten readiness <input type="checkbox"/> Youth school engagement <input type="checkbox"/> High school graduation Health <input type="checkbox"/> Healthy birthweight <input type="checkbox"/> Child/youth development <input type="checkbox"/> Youth mental/behavioral health
		+	+	=	
Working Assumptions:					



Performance Management: Resources for Improving Performance

DCYF contract groups can draw from the following menu of tools when they reach the final step of the performance feedback loop to help strengthen their continuous improvement practices.

1

Engaging Stakeholders

Tools for determining what stakeholders should be involved and how:

- Stakeholder Mapping
- Decision Mapping
- HARC Stakeholder Engagement Continuum

2

Identify Root Causes

Tools for identifying root causes in areas with opportunity for improvement:

- Root Cause Analysis / Five Why's
- Fishbone Diagram

3

Identify Solutions & Actions

Tools for identifying solutions and taking action to make address root causes:


- “How Might We” Exercise
- Drivers Diagram
- Impact / Effort Prioritization Matrix





PBC Performance Management Tools (PMTs)

DCYF contract groups may select one or more of the following tools to manage contractor performance related to meeting PBC quality and outcome targets identified in contracts for client services.

 <p>Performance Management</p>	Tiered Reimbursement	Contractors who meet or exceed PBC quality and outcome metric targets receive additional funding in excess of their base funding for service delivery, a.k.a. financial incentives.
	Contract Renewal	Contractors who meet or exceed PBC quality and outcome metric targets are eligible to automatically renew their contract and/or receive bonus points in a competitive selection process.
	Contract Size/Term	Contractors who meet or exceed PBC quality and outcome metric targets are eligible to receive increased base funding and/or longer contract periods.
	Preferred Vendor List	Contractors who meet or exceed PBC quality and outcome metric targets receive a greater number of service referrals and/or are invited to contract with the agency.
	Reduced Requirements	Contractors who meet or exceed PBC quality and outcome metric targets have reduced monitoring and/or contractual requirements (other than federal reporting requirements).
	Improvement Plan	Contractors who do <u>not</u> meet PBC quality and outcome metric targets are placed on a performance improvement plan until they do meet the targets.



Contract Language

Performance-Based Contracting

Beginning July 1, 2019, DCYF is strategically implementing quality and outcome performance measures in contracts that provide services to children and families as required by House Bill 1661. The purpose of this change is to help achieve DCYF’s goals with a focus on building partnerships, using data to learn and improve, and advancing racial equity.





- a) DCYF Goals supported by this contract include:
 1. [DCYF Goal selection]
 2. [DCYF Goal selection]
- b) DCYF Client Outcomes supported by this contract include:
 1. [Distal Outcome selection]
 2. [Distal Outcome selection]
- c) Contracted Quality measures
[See table]
- d) Contracted Client Outcome measures
[See table]

Goal:	
Metric:	
Target:	
Reporting Requirements:	
Performance Management:	
Continuous Improvement:	



Continuous Improvement

DCYF is committed to supporting contractors in continually improving the quality and outcome(s) of their services. Contract groups should work to embed the following strategies into their PBC Performance Feedback Loops.

 Policy	Training and Technical Assistance (TTA)	Access to training and technical assistance to successfully implement PBC requirements and engage in continuous improvement activities; may be required in Performance Improvement Plan.
 Data	Collect, Analyze and Share Performance Data	Performance feedback loops require regular data collection, analysis, and sharing of results to identify what’s working and where there are opportunities to make improvements.
 Stakeholder Engagement	Collaboration	DCYF and contractors collaboratively identify and implement improvements based on results.
	Recognition of Success	DCYF staff and contractors are recognized publicly for their efforts to improve results.
 Services	Flexible Program Delivery	Contractors are encouraged to innovate their service delivery to improve results, including prioritizing populations in greatest need and/or those experiencing disparate results.

PBC Performance Feedback Loop

After working collaboratively with contractors, partners, and other key stakeholders to identify and incorporate PBC metrics into contracts, **DCYF contract groups will engage in the following activities to support continuous improvement**:

