

Child Welfare Privatization Initiatives

Assessing Their Implications for the Child Welfare Field and for Federal Child Welfare Programs

This project is available on the Internet at:
<http://aspe.hhs.gov/hsp/07/CWPI/>

Background

During the 1990s, a number of state and local child welfare agencies began experimenting with privatization of child welfare services in order to improve performance and reduce costs. Models of privatization vary across the country, from statewide reforms to more limited initiatives. States continue to look for best practice measures to fuse programmatic and fiscal reforms. However, because little sound research and few outcome evaluations have been conducted on these initiatives, little information on effective practices and models is available.

To assist state and local child welfare policymakers who are considering — or implementing — privatization reform, the Office of the [Assistant Secretary for Planning and Evaluation](#) (ASPE), [U.S. Department of Health and Human Services](#) (HHS) has undertaken *The Child Welfare Privatization Initiatives Project*. This project is developing a series of topical papers drawing from the experience of child welfare and other social services programs which have privatized services and is intended to provide insights about factors that should be considered when approaching or improving upon privatization efforts.

The following topical papers are being produced under this contract and will be available here as they are completed (publications dates will span 2007 and 2008):

- [Assessing Site Readiness: Considerations about Transitioning to a Privatized Child Welfare System](#). This paper assists child welfare administrators in thinking through key issues about transitioning to a privatized system of service delivery. The paper is organized around 12 questions that administrators need to ask themselves when assessing the “readiness” of their site to undertake this type of systems reform.
- **Models of Privatization Reform.** This paper will present a range of program and contracting models currently used by sites across the country and explain how these models have evolved over time. It will also provide information about what has been learned to date about the challenges and benefits of different approaches.
- **Evolving Roles of Public and Private Agencies.** This paper will present both the challenges and lessons learned about transitioning from publicly to privately

- delivered services. It will provide examples of how states have divided roles and responsibilities across systems once privatization occurs.
- **Developing Effective Contracts.** This paper will describe what the field has learned about developing contracts in child welfare and related social services including writing clear expectations about services provision and performance standards, billing and payment arrangements, and standards for reporting.
 - **Contract Monitoring and Accountability.** This paper will focus on key responsibilities and challenges that public agencies often face in effectively monitoring the organizations with which they contract, including primary responsibility for different areas of contract monitoring, information system needs, commonly used performance measures, and agency appeal and grievance processes.
 - **Evaluating Privatization Initiatives.** This paper will provide state and local child welfare administrators a “how to” guide for evaluating the effectiveness of their reforms. This includes establishing policy relevant research questions appropriate to the initiative, determining appropriate short and long term outcomes, identifying appropriate data, and selecting the best outcome evaluation design.

This project is being carried out by a partnership between Planning and Learning Technologies Inc. of Arlington, VA, and The Urban Institute of Washington, DC. It builds on knowledge gained during a national needs assessment of child welfare privatization efforts conducted for the Children’s Bureau’s Quality Improvement Center for the Privatization of Child Welfare Services (<http://www.uky.edu/SocialWork/qicpcw/>) as well as research on privatization conducted in other closely related social services (<http://aspe.hhs.gov/hsp/privatization-rpt03/privreport.htm>).