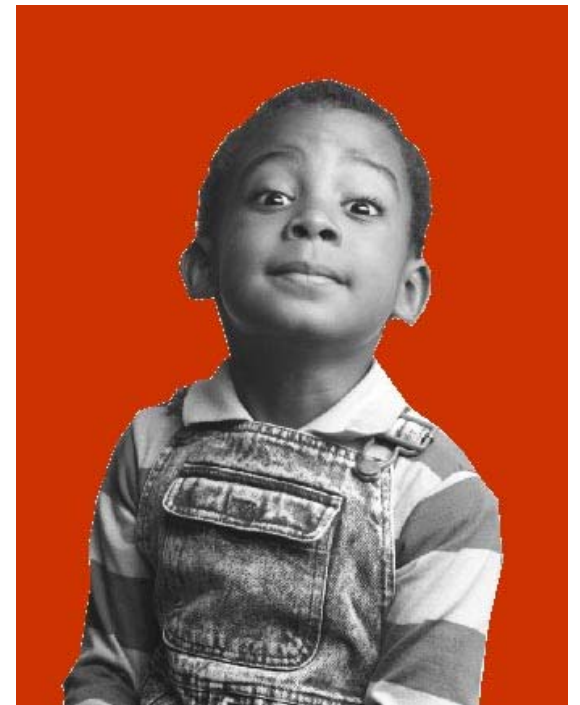


Striving for Excellence:

Expanding Performance Based Contracting to Residential, Independent and Transitional Living Providers in Illinois

Erwin McEwen
Director, DCFS

Judge Kathleen A. Kearney
Project Evaluator



Overarching Goals of *Striving for Excellence*

- Improve outcomes for children and youth
- Build on success in foster care and kinship case management
- Enhance existing public-private partnership
- Address CFSR deficiencies in Permanency and Well Being
- Inform the field through evaluation of the process



Challenges of Serving Youth with More Complex Needs

- Placement change rate in Illinois is high compared to other states and is steadily increasing
- Behavior problems, prior institutionalization and runaway incidents increased subsequent placement instability
- Increasing number of youth have experienced multiple placement disruptions, longer stays in foster care and the lack of a permanent home before entering foster care

Challenges of Serving Youth with More Complex Needs

- Smaller number of residential providers serving more troubled children
- Children discharged from residential care are less likely to remain in new placement
- 51% of youth discharged from their first residential care setting to a less restrictive setting during the years 1995-2003 were eventually returned to higher levels of care during this time frame

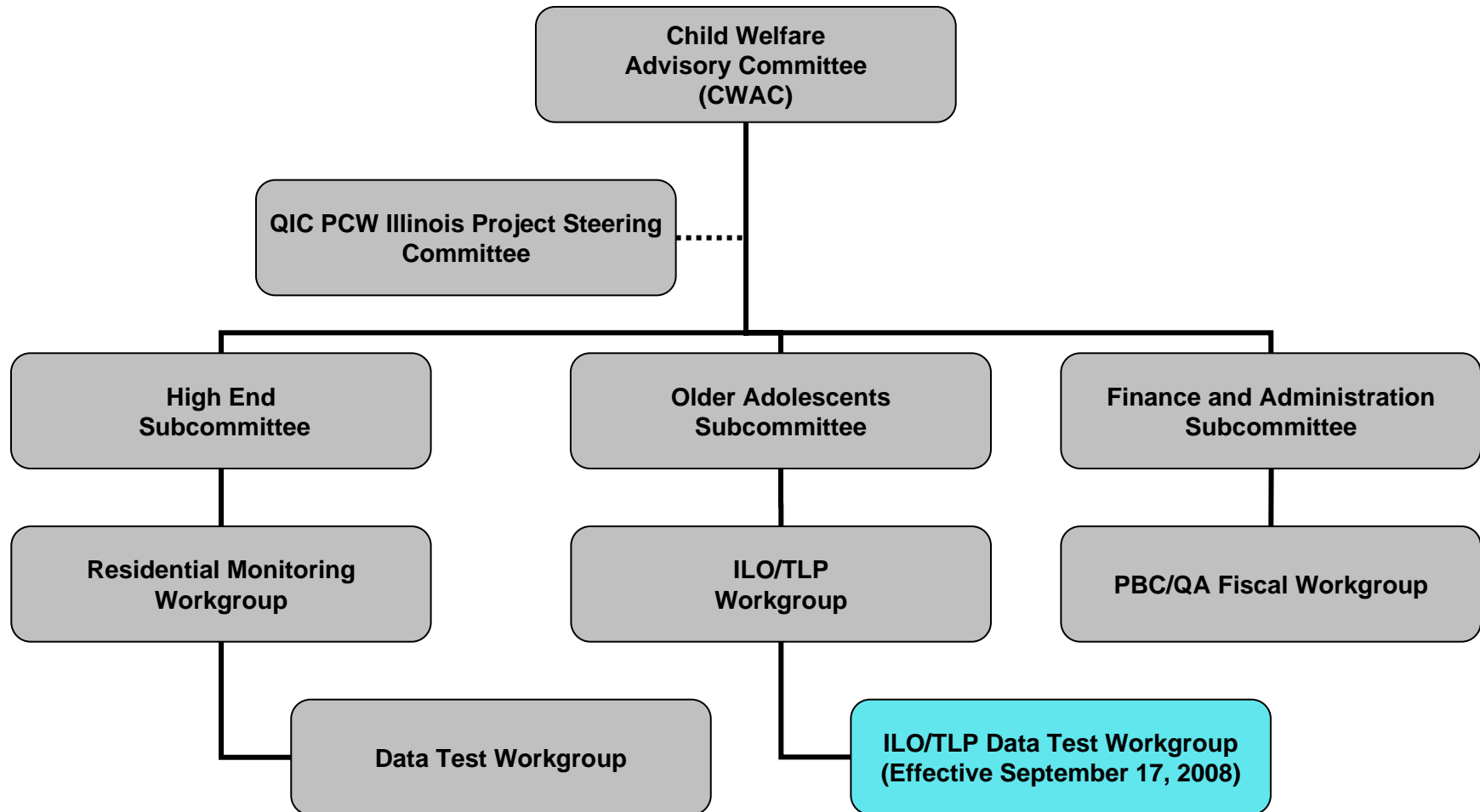
Status of Residential Treatment Before Performance Based Contracting

- Individualized cost based rate methodology
- Compliance monitoring by outsourced university-based monitors
- Capacity challenges – assuring availability of appropriate level of treatment based upon client needs
- Cumbersome admission process

Collaborative Planning

- Existing Child Welfare Advisory Committee structure used to develop proposed outcome measures, fiscal structure and risk adjustment strategy
- Child Care Association of Illinois holds Statewide Provider Forums to inform all private providers and get feedback
- Illinois Child Welfare Data Summits held by Children & Family Research Center to engage university partners and researchers

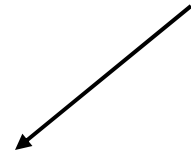
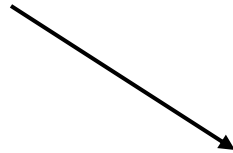
Illinois Child Welfare Advisory Committee (CWAC)



Goal 1:
Improve Safety/Stability
During Treatment

Goal 2:
Effectively and Efficiently
Reduce Symptoms/
Increase Functionality

Goal 3:
Improve Outcomes At
And Following
Discharge



Indicator:
Rate of Treatment
Opportunity Days

Indicator:
Sustained Favorable
Discharge Rate

Treatment Opportunity Days Rate

- Percentage of total days of care per fiscal year residents are not on the run, hospitalized, or incarcerated
- Calculated based on treatment “spells” from admission to discharge
- Agencies are guaranteed payment for 100% of DCFS client beds
- Agencies cannot decline admissions
- Agencies fiscally penalized at rate of 25% of per diem payment for each day they exceed set performance benchmark

Sustained Favorable Discharge Rate

- “Favorable” Discharge
 - Positive - stepdown to less restrictive setting, including residential or group home settings by program classification (within or between agencies)
 - Neutral - placement in chronic mental health setting
- “Unfavorable” Discharge
 - Negative - lateral residential/group home move between agencies, step up to more restrictive setting, disruption from placement via runaway, hospital, detention/DOC

Sustained Favorable Discharge Rate

- Percentage of all spells from which youth that were favorably discharged were able to sustain their discharge placement for 180 days
- Agencies can earn a fiscal bonus if they exceed performance benchmarks

Risk Adjustment for Residential Providers

- Each provider serves a population of children with a different “mix” of characteristics
- To measure performance fairly, agency “case mix” needs to be taken into account
- Risk adjustment attempts to level the playing field
- Since Illinois has adopted a “no decline” policy for youth referred for residential treatment, risk adjustment is critical for providers

Risk Adjusted Performance Benchmarks

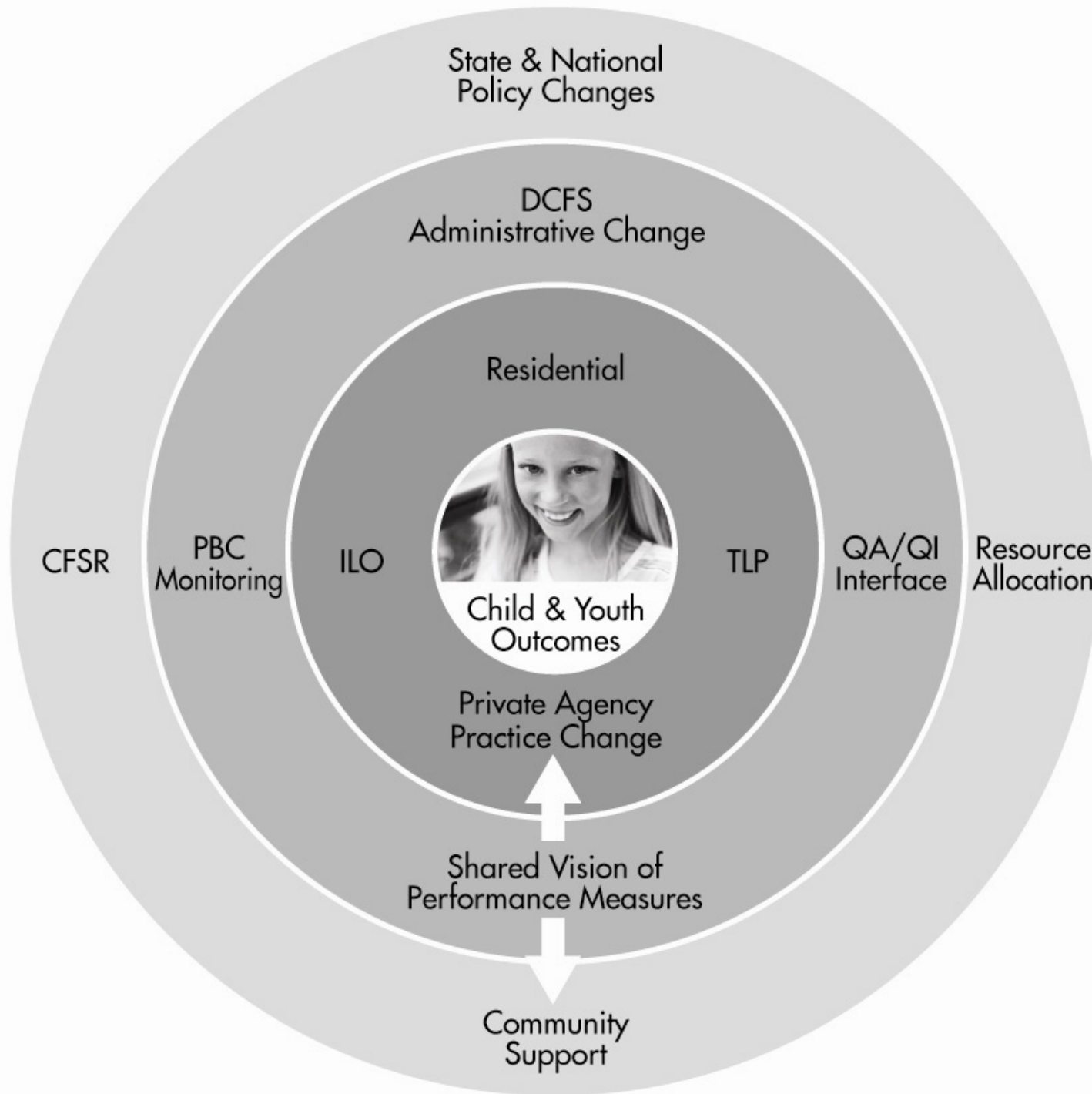
- Using Chapin Hall's Multistate Database to increase statistical power, statistical analysis was performed on a large population of children in residential care during a 3 year period
- Risk factors were identified which were associated with positive or negative outcomes
- Weighted risk factors were applied to children in each agency during FY06 and FY07 to arrive at predictions for performance for FY09
- Performance benchmarks for TOD and SFDR were adjusted for risk using this model

Independent and Transitional Living Performance Outcomes

- Increased client self-sufficiency
 - Academic/vocational
 - Employment
 - Financial competence
- Living in a stable and appropriate environment
- Engaged in healthy living practices

Systemic Changes to Support Performance Based Contracting

- Provider rates standardized
- New Deputy Director for Monitoring oversees new DCFS monitors
- Admissions process centralized, streamlined and automated through new Centralized Matching Team
- Performance Reports will be generated quarterly through new Residential Treatment Outcomes System (RTOS)
- New Discharge and Transition Protocol designed to facilitate step-downs and clarify responsibilities of provider agencies



For more information contact....

Judge Kathleen A. Kearney
Project Evaluator

kkearney@illinois.edu

