

Third Sector Capital Partners, Inc. & Actionable Intelligence for Social Policy *Social Innovation Fund Pay for Success Youth Development Competition*

FREQUENTLY ASKED QUESTIONS

Where is the RFP posted?

The RFP and basic competition info can be found on this [webpage](#) on Third Sector's website.

What is the issue area focus of the competition?

The selected cohort will be focused on measuring and improving two-generation outcomes (i.e., outcomes that foster the well-being of both parents and their children) by combining the development of integrated data systems (IDS) with outcomes-based contracting. Topics can include early learning, health, justice, child welfare, employment, etc. The RFP Appendix includes examples of relevant programs and services.

Who can apply?

The lead Applicant must represent a state-level public entity OR if the lead Applicant is a local jurisdiction (county or city) they must demonstrate a sustained partnership commitment from an involved state-level public entity. State-level Applicants may also choose to partner with a specific county or city if the two-generation program of interest is locally administered and committed to IDS development.

Commitment from a state-level public entity is required given that many of the primary data sources used to link parents to children in IDS are maintained at the state level (e.g., TANF, SNAP, housing authority, state-funded early childhood programs). A clear commitment from these public agencies is necessary to successfully sustain an IDS capable of informing two-generation policies and programs.

Who will be providing the TA Services?

Third Sector will be providing TA along with its partner, Actionable Intelligence for Social Policy (AISP). AISP is an initiative at the University of Pennsylvania that focuses on the development, use, and innovation of integrated data systems for policy analysis and program reform.

What types of TA will be provided to selected sites?

All selected sites will receive TA support from both Third Sector and AISP.

- Third Sector will provide TA to identify two-generation-focused outcomes of interest for the development of outcomes-based contracts and will complete a PFS feasibility assessment and contracting blueprint. Selected sites will move forward to PFS transaction structuring (i.e. negotiation, drafting, and execution of an outcomes-based contract).
- AISP will conduct a series of three in-person training sessions (along with pre/post work) on IDS Governance (privacy laws that govern the use of admin data, IDS governance models, policies and procedures); Research and Outcomes Measurement (data sources, data security, data integration and de-identification); and Data Linkage and Data Standards (data system infrastructure options, data formatting, record linkage procedures).

What is the timeline?

Applications are due on Friday, July 28 and selected service recipients (up to five communities) will be announced in mid-September. The services will be delivered between October 2017 - December 2019.

How can I learn more?

During the Open Information Period (June 20 – July 21, 2017), Third Sector will offer potential Applicants the opportunity to engage with Third Sector and AISP staff to answer questions related to the application criteria. Applicants will be limited to a maximum of 2 hours of engagement time. To schedule, please email SIFcompetition@thirdsectorcap.org.

Before scheduling a call, we request that interested applicants first please review the content that was presented during Third Sector and AISP's June 27th webinar. To watch a recording of the webinar, [please click here](#). To read the slides presented at the webinar, [please click here](#).

A list of the questions and responses from the June 27th webinar can be found [here](#).

SIF YOUTH DEVELOPMENT COMPETITION: JUNE 27TH WEBINAR Q&A

(49:49): Recognizing that AISP has worked with many communities around the country, could you talk about an example from a specific community, starting with the hurdles that they faced in developing an integrated data system (IDS) and how they were able to overcome those challenges with the support of your team?

Communities that have a strong interest in building IDS often invite AISP for informational support to help the local attorneys in relevant agencies see that data sharing is permissible under the law. AISP then goes to the jurisdictions or speaks to the attorneys in these agencies to provide them with resources and validation from federal agencies and other communities, explaining how the data can be stored in an IDS and used while in compliance with all of the privacy laws and other protections that are required.

(51:30): Which agencies are ideal lead applicants when talking about two-generation outcomes at the state level?

The strongest leads are agencies that house any of the policy, programming, or leadership decision-making power in relation to the two-generation outcomes. This could be both in terms of data sharing and in terms of performance improvement or contracting. Alternatively, if it's not an agency but specific people such as senior planning and budgeting officials or a governor's office, that can also be a good lead because they have a stronger ability to facilitate collaborations across agencies.

(52:40): Could you talk a bit about the key people that are often involved in the PFS feasibility process with Third Sector?

Typically there are 3 levels; the executive level, steering committee level, and the agency level who are involved. The executive level, such as a governor or county executive's office, requires buy-in; they need to know about and empower the process but they are not directly involved in the day-to-day work. The steering committee level involves the lead agency head, the agency with the relevant data sets and potentially the budget office or the performance, strategy and budget agencies as well. The lead agency head listed on the application is the one saying *'I want to make this a priority and I understand that it is worth doing'* and reports updates and progress to the executive level. Then comes the agency level staff that work on the programmatic side, collaborating closely with Third Sector on the data sharing and driving efforts on the project management side.

(55:20): Given the two-generation framework, would a project that focuses on parent and parent-related outcomes still fall within the youth development criteria? For example, could a jurisdiction focus on training and educational outcomes of working parents? Does the primary beneficiary population need to include youth?

Given that the funding for this competition from SIF is focused on youth development in particular, we want some of the primary outcomes and services to serve youth specifically. But the programs don't have to only serve youth.

(56:08): It seems like the criteria prioritizes applicants that already have a developed project. Do applicants need to have a well-defined project in mind as part of the application process, or is part of the services that will be provided from this TA to help service recipients develop their project vision?

From an IDS perspective, you definitely want to have a strong idea of an area that you'd like to pursue with this TA. The goal for the IDS TA is to address the data sharing issues, to get to the linkages between families and households, and allow you to access those outcomes of interest.

From an outcomes-based contracting perspective, we find that using a hypothesis-driven approach has greater success in the long run. For the application process, it is important to have an initial idea of the priorities or potentially the populations and outcomes that you want to focus on. The first step in the TA process will include working together with the Third Sector team to review and refine the focus of the project.

(59:16): Could you give one or two examples for those that are new to outcomes-oriented contracting about how TSCP has been able to work with governments to incentivize better outcomes through contracting?

When we first started, Pay for Success (PFS) was the largest “brand name” in the performance contracting space because it was the main tool that was used by governments. Under those contracts, governments incentivize by holding back payments to providers until success is demonstrated. What we discovered through working with communities and governments is that because of capacity, a lot of providers weren’t ready to jump to a contingent payment structure, even if they were getting funding to cover their costs.

Today, we have communities that use “bonus payments” for particular outcomes that are met; that way providers are ensured of a base level of funding but are incentivized and rewarded if they improve over time or hit a target performance level. We have also realized that for providers, market share is a big incentive as well. For example, governments can structure contracts like a “fee for service” or pay per person capitated rate-type contract over the year, but, based on what the data, evaluations and outcomes show, a government may decide to increase the number of blocks and increase contract size over time as a result.

SIF YOUTH DEVELOPMENT COMPETITION: JULY 14TH WEBINAR Q&A

(34:40): In trying to understand the amount of coordination between the SIF learning community and the AIFP learning community, will these youth development competition sessions coincide with the planned and scheduled AISP idea's workshop?

Yes, if you receive this full award; that includes both the Third Sector and AISP Technical Assistance. Third Sector and AISP will be working together to make sure that the time you spend is coordinated and integrated across AISP workshops and Third Sector services.

(35:45): Who are strong members to include on the team if our site wins the award?

Strong members include those that work in procurement, either in the writing or managing of contracts in the issue area of interest, and someone from finance or monitoring and evaluation that could be impactful from the data and outcomes-contracting side.

(41:05): Is it anticipated that the SIF grant will have multiple rounds or opportunities for involvement down the road if a site isn't selected for this round?

We are working to find the 5 sites that are best suited for this joint TA in this round of the competition, and are not planning to have any future rounds. This is a cohort that will be starting in the fall of 2017 and will be working with AISP and Third Sector over the 2-year period grant period.

We do also view this collaboration between AISP and Third Sector as the first attempt at something that could continue as a partnership of joint TA for communities. As the two-generation focus grows nationally and more programs develop where data coordination is vital, we think this will not be the only effort for AISP and Third Sector together. Hopefully there will be future opportunities through other funding sources where we will be able to work with many others teams.

(43:15): What is the distinction between social innovation bonds (SIBs) and external financing for contracts versus a broader outcomes-orientation approach when thinking about contracting.

Depending on what your community wants to achieve with this project, you may want to explore a SIB or you may want to think of other ways to incentivize outcomes in your community. It is important to include SIBs as a potential contracting tool but not **the** only available contracting tool to help communities move to outcomes.

For example, in Cuyahoga County, they were looking to test a new intervention of providing services to reunite homeless families and reduce days in foster care. The County wanted to structure the program in a way that they would only pay taxpayer dollars if that provider was successful in reducing foster care days, and so a PFS structure and a SIB made a lot of sense.

Comparatively, Third Sector is working in a county right now in the mental health space where the client wants to help their providers move to a same-day access approach. Because the county's goal is to incentivize improvement across 30 providers, and those providers already receive Medicaid payments via cost reimbursement, this County decided to take a "bonus payment" approach to the contract. By making a contract amendment that can provide additional funding for providers that go above and beyond the Medicaid base payments, the client is better able to see outcomes and link them to data systems.

(47:00): Is there an example of policies that can be looked at related to the two-generation focus? Which partner agencies might be helpful to include in thinking about 2-gen outcomes?

In terms of policies, home visiting is the most obvious, or policies requiring child care subsidies, quality daycare settings or public Pre-K programs which have benefits for the children as well as parents. In terms of the agencies that could operate these programs, if your focus is on children and youth, you might have the Department of Child Welfare, Department of Human Services, etc. If the outcomes of interest are focused on parental outcomes instead, don't limit yourself to adolescent-centric partners. Then you may focus on the Department of Labor or other groups aiding in those outcomes. With a two-generation program, the policies and programs that could be involved are far reaching.

(49:50): Can you talk a bit about the system that AISP is planning to use with the sites, that you have already selected? And how does Third Sector connect?

AISP has a director of training that will coordinate the curriculums along with a facilitator for each site who will be your point of contact and meet with local teams as necessary. We also use a platform called Canvas and everyone who is in a learning community will have access to that, where we will host materials and virtual sessions, and address specific TA needs. Additionally, if the site has a need for particular expertise, we will plan for an AISP consultant to be deployed to that jurisdiction.

The Third Sector TA is different in terms of delivery. Each site will receive a team of consultants from Third Sector who will be coming to your site on a regular basis and working with you to understand the outcomes and develop contracts. Through coordination between TSCP and AISP, we will be working with the same people and coordinating the communications so your site will be aligned in terms of how those two TA streams will be interconnected.