

**Agenda Item 3
September 2, 2015**

DATE: August 21, 2015

TO: Children and Families Commission of Orange County

FROM: Christina Altmayer, Executive Director 

SUBJECT: Bridges Maternal Child Health Network Pay for Success Project

ACTION: Receive update on the Bridges Maternal Child Health Network *Pay for Success* project, authorize the acceptance of funds from the NonProfit Finance Fund, and adopt resolution authorizing agreements and amendments to agreements for technical assistance.

SUMMARY:

The Bridges Maternal Child Health Network (Bridges Network) supports children's success by identifying health and developmental concerns during the critical first years of life, and providing families with education, screening, and linkage to services including referrals for home visitation services by public health nurses and other professional staff. Through this model of prevention and early intervention, the Children and Families Commission is helping Orange County's children have the healthiest start possible and reducing the need for costlier, more complex intervention services. With decreasing Commission revenues, innovative approaches to program sustainability are necessary. The Commission is exploring ways to diversify the program's funding base, including innovative funding mechanisms such as "*Pay for Success*" contracts. This report provides an update on the Commission's efforts to implement a *Pay for Success* (PFS) funding strategy for sustainability of the Bridges Network and requests authorization for implementing actions consistent with a grant award from the Nonprofit Finance Fund of \$140,000 effective November 1, 2015.

DISCUSSION:**Pay For Success Project Update**

Over the past year, the Commission has made substantial positive progress in developing an understanding of the *Pay for Success* model, securing project funding, and creating a more robust knowledge of the impact of the Bridges Network on families in Orange County. Key project milestones have included:

FY 2013/14

Received \$100,000 California Pay for Success Initiative technical assistance grant, launched by Nonprofit Finance Fund & James Irvine Foundation. This support allowed the Commission and partners to explore how to transition the Bridges Network away from grant funding and into a reimbursable model grounded in the achievement of targeted health outcomes. *Status: The project Technical Assistance provider, Third Sector Capital Partners, Inc. provided a mid-point project update to the Commission in March 2015 including recommended next steps for continued progress on the feasibility analysis. The Final Report was submitted to the Commission in July 2015.*

FY 2014/15

Received additional \$50,000 award from the Nonprofit Finance Fund and the James Irvine Foundation to support analysis of Bridges Network data matched with data to document how Bridges clients perform on HEDIS (Healthcare Effectiveness Data and Information Set) measures. *Status: It is expected that the results of this data match evaluation will be completed in October. This will mark an important milestone to determine whether the current data collection efforts allow for measuring the impact of the Bridges Network to the CalOptima member population.*

Received additional \$100,000 technical assistance award from Third Sector Capital Partners, Inc. supported by federal funding from the Corporation for National and Community Services (CNCS). The CNCS “Accelerating Assistance Award” will provide support through June 2016 to assist in validating outcomes, quantifying the impact of the Bridges Network, and exploring potential payment structures. *Status: This feasibility work is expected to finish by April 2016, with timing contingent on completion of the data analysis effort.*

FY 2015/16

Received \$140,000 California Pay for Success Phase II technical assistance award to complete the feasibility assessment for future transaction structuring. *Status: This agenda item includes recommended actions to negotiate an agreement with Nonprofit Finance Fund to receive funds to implement the project scope, as indicated in Attachment 1. Authorization is also requested to enter into implementing agreements, as indicated in Attachment 2. Third Sector Capital Partners, Inc will be contracted for \$25,000 of the project award and will meet the additional match requirement for the CNCS “Accelerating Assistance Award.”*

Regardless of whether the project achieves a *Pay for Success* transaction, the awards have created significant value in strengthening the Bridges Network evaluation and program model.

Other Bridges Network Improvement Efforts

Bridges Maternal Child Health Network Program Management – In July 2015, the Commission authorized additional funding for the Hospital Association of Southern California (HASC) to ensure staff capacity to provide strong leadership with the hospitals, to support the *Pay for Success* work as well as the program improvement and optimization efforts being implemented. Attachment 4 provides the revised scope of work for the HASC that consolidates the new enhanced scope with the initial scope focused on program planning and development, quality assurance, data and evaluation, and interagency collaboration.

Bridges Maternal Child Health Network Optimization – The CNCS “Accelerating Assistance Award” includes a work plan focused on program optimization.

Bridges Network Process Improvement	Estimated Timeframe
Assess standardization and fidelity of Network programs.	August – November 2015
Assess reliability and validity of Network data collection instruments & processes.	June – December 2015
Implement process improvement plan.	January – June 2016

Program optimization activities have been initiated and will continue in FY 2015/16 with an emphasis on validating the program objectives, identifying key outcomes, assessing the programs alignment with the desired outcomes, assessing the program standardization and fidelity and conducting a gap analysis to inform the development of a process improvement plan. A key focus is improving the rate of successful referrals and transition in services. Staff and consultants, in conjunction with the Bridges Network program leadership, will implement the program optimization work plan to increase fidelity to the model, improve data and outcome reporting, and increase successful referrals.

Safe Sleep Orange County - The Commission is a member of the Orange County Children's Partnership, a 22-member advisory body made up of public agencies and representative community agencies and individuals. This year, a subcommittee was formed, Safe Sleep Orange County, to look at the issues related to safe sleep and to increase awareness about the importance of safe sleep environments for infants. The Commission committed \$7,500 to support the pilot implementation of the project in partnership with the American Academy of Pediatrics, CA Chapter IV (AAP) and the Bridges Network.

In addition to the AAP and the Commission, Safe Sleep Orange County membership includes the leadership of the County of Orange Health Care Agency, Orange County Perinatal Council, the Community Perinatal Network, and St. Joseph Hospital of Orange, as representative for the Bridges Network. Recently, the subcommittee developed an educational campaign to bring awareness to preventable infant deaths due to unsafe sleep environments and practices. The campaign includes a one-hour training tool to provide up-to-date information on safe sleep practices. Health professionals that complete the online training may be eligible for one-hour of continuing education units through the Community Perinatal Network. A tri-fold safe sleep educational brochure has also been developed in English, Spanish and Vietnamese for distribution to parents and families throughout the county. Additional efforts will evaluate the impact of assessing infant sleep plans in the hospital setting and providing portable cribs to families in need.

The Commission will receive a *Pay for Success* project update when the preliminary results of the data match analysis are available.

STRATEGIC PLAN & FISCAL SUMMARY:

The proposed action has been specifically reviewed in relation to the Commission's Strategic Plan and is consistent with the Healthy Children and Capacity Building goals. If authorized, the new \$140,000 funding award would be reflected in the FY 2015/16 amended budget.

RECOMMENDED ACTIONS:

1. Receive *Pay for Success* Feasibility project update and provide direction to staff.
2. Authorize the Executive Director or designee and Commission Counsel to negotiate an Agreement with Nonprofit Finance Fund to receive up to \$140,000 to implement the Pay for Success Phase II feasibility grant, as summarized in Attachment 1.
3. Adopt resolution (Attachment 3) authorizing agreements or amendments to agreements with designated individuals and organizations to provide *Pay for Success* technical services for the terms, amounts and services as specified in Attachment 2.

ATTACHMENTS:

1. *Pay for Success* Nonprofit Finance Fund Grant Award Scope of Work
2. *Pay for Success* Phase II Technical Service Agreements
3. Resolution: *Pay for Success* Initiative: Technical Services
4. Hospital Association of Southern California – Consolidated Scope

Contact: Alyce Mastrianni

Pay for Success
 Nonprofit Finance Fund Grant Award
 Scope of Work (SOW)
 Bridges Maternal Child Health Network

Participating Organizations	<ul style="list-style-type: none"> • Children and Families Commission of Orange County and the Bridges Maternal Child Health Network • Nonprofit Finance Fund
Feasibility Awards	<p>The Nonprofit Finance Fund is funding projects that are currently conducting a feasibility assessment necessary for future transaction structuring. Awards are intended to support the completion of discrete feasibility deliverables required to potentially advance transaction structuring and project launch activities. Selected organizations are to continue to participate in the cohort learning community, coaching, and support with communications, stakeholder and funder engagement, and education efforts.</p>
Children and Families Commission of Orange County Award Amount	<p>\$140,000 to be subcontracted with:</p> <ul style="list-style-type: none"> - Health Management Associates = \$115,000 - Third Sector Capital Partners, Inc / Abt Associates = \$25,000
<p><u>Utilization and Expenditure Analysis</u></p> <p><i>Estimated Timeline:</i> <i>January – March 2016</i></p>	<p>Health Management Associates</p> <p>Retrospective Evaluation: Compare Bridges participants and non-participants in the baseline cohort, with respect to utilization experience and related costs of care. Health Management Associates has experience working with Medi-Cal billing codes. Strong competence with economic and financial modeling, and familiarity with various provider payment methodologies used by Orange County’s Managed Care Organization. This analysis is proposed to result in a preliminary recommendation regarding viable payment methodologies.</p> <p><i>Final Deliverable: Report and Summary PowerPoint</i></p>
<p><u>Financial Modeling and Review of Payment Methodologies</u></p> <p><i>Estimated Timeline:</i> <i>April – June 2016</i></p>	<p>Health Management Associates</p> <p>Retrospective Evaluation: Perform financial modeling on potential payment methodology options. Firm will conduct an actuarial analysis to provide relative advantages of reimbursement options.</p> <p><i>Final Deliverable: Report and Summary PowerPoint</i></p>
<p><u>Options for Developing Comparison Groups</u></p> <p><i>Estimated Timeline:</i> <i>January – March 2016</i></p>	<p>Third Sector Capital Partners, Inc / Abt Associates</p> <p>Prospective Evaluation: Provide technical assistance to design a prospective evaluation. Review the results of the retrospective evaluation to determine options for creating valid comparison groups. If needed, draft a response for proposal for an evaluator to perform the prospective evaluation for the Bridges Network. Funds will be used to support the work of Third Sector in the Social Innovation Funds first cohort of grantees that Commission participates in, and will serve as match for that grant. Scope will include presenting options for the Commission</p> <p><i>Final Deliverable: Report and Summary PowerPoint</i></p>

Pay for Success - Phase II, Technical Services
 Bridges Maternal Child Health Network
 Summary of Recommended Funding Allocations
 Term: October 1, 2015 - June 30, 2016

Contract Number	Contractor	Description	Maximum Funding Allocation
PS-131 <i>New agreement</i>	Health Management Associates	Implement two components of the Bridges Maternal Child Health Network retrospective data analysis including: <ul style="list-style-type: none"> ➤ Through analysis of a data match, compare Bridges Network participants and non-participants in the baseline cohort with respect to utilization experience and related cost of care. ➤ Perform financial modeling and actuarial analysis on payment methodology options. <i>Estimated timeline: October 2015 – June 2016</i>	\$115,000
PS-124 <i>Amend existing agreement</i>	Third Sector Capital Partners, Inc.	Firm was previously selected by the Nonprofit Finance Fund to provide technical assistance for Phase I of the project including completing the Feasibility Assessment. Phase II project scope to include subcontracting with Abt Associates to present options for the Commission to consider in developing a valid comparison group, for potential implementation of a project prospective evaluation. In the future. <i>Estimated timeline: January – March 2016</i>	\$25,000
TOTAL			\$140,000

CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY

RESOLUTION NO. ___-15-C&FC

September 2, 2015

A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY DIRECTING THE EXECUTIVE DIRECTOR AND COMMISSION COUNSEL TO PREPAR AND NEGOTIATE AGREEMENT OR AMENDMENT TO AGREEMENT WITH DESIGNATED ORGANIZATIONS TO PROVIDE PAY FOR SUCCESS TECHNICAL SERVICES; AND AUTHORIZING APPROVAL AND EXECUTION OF SUCH AGREEMENT AND AMENDMENT TO AGREEMENT ON BEHALF OF THE COMMISSION

WHEREAS, in order to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development, the legislature adopted legislation set forth in the California Children and Families Act of 1998, Health and Safety Code Section 130100, *et seq.* (as amended, the “Act”) implementing the Children and Families First Initiative passed by the California electorate in November, 1998 and establishing the California Children and Families Commission and County Children and Families Commissions, including this Children and Families Commission of Orange County (“Commission”); and

WHEREAS, On April 1, 2015, Commission authorized the Executive Director or designee to prepare and negotiate an Agreement with Third Sector Capital Partners, Inc. in the amount of \$25,000 for technical assistance related to the *Pay for Success* Project.

WHEREAS, The Commission desires to prepare and negotiate an Agreement or Amendment to Agreements with designated organizations, including Third Sector Capital Partners, Inc. and hereinafter collectively referred to as Contractors”, to provide *Pay for Success* technical services for the terms and in the amounts as specified in Attachment 2 to the September 2, 2015 staff report for the terms and in the amounts described in Attachment 2 therein; and

WHEREAS, Each Contractor desires to enter into the Agreement or Amendment to Agreement in furtherance of the purposes of the Act and the Strategic Plan on the terms and conditions set forth in the applicable Agreements; and

WHEREAS, Commission has reviewed the staff report for the September 2, 2015 Commission meeting relating to the scopes of services to be provided and hereby finds and determines that the proposed Agreement and Amendment to Agreement are in furtherance of and consistent with the Commission’s Strategic Plan; and

WHEREAS, Commission desires to authorize the Commission Chair and Commission Clerk to execute the Agreement or Amendment to Agreement with each of the Contractors for the terms and in the amounts as specified in Attachment 2 to the September 2, 2015 staff report for this Agenda Item.

NOW, THEREFORE BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:

Section 1 Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

Section 2 Commission authorizes the Executive Director, or designee, and Commission Counsel to prepare and negotiate an agreement or amendment to agreement with each of the Contractors as described in Attachment 2 to the September 2, 2015 staff report for this Agenda Item to provide Pay for Success Project technical services for the terms and in the amounts consistent with the September 2, 2015 staff report referenced therein.

Section 3 The form of any agreement or amendment to agreement with the Contractors for the terms and in the amounts specified in Attachment 2 to the September 2, 2015 staff report for this Agenda Item shall be substantially similar to the form of the standard Professional Services agreement or amendment to a Professional Services Agreement, subject to minor, non-substantive revisions as reviewed and approved by the Executive Director or designee and Commission Counsel. The approval by the Executive Director or designee of the agreement or amendment to agreement shall be conclusively evidenced by the execution of such Amendments by the Commission Chair and delivery thereof to the Commission Clerk.

Section 4 Commission hereby approves the Agreement or Amendment to Agreement with each of the Contractors as described in Attachment 2 to the September 2, 2015 staff report for this Agenda Item Pay for Success technical services for the terms and in the amounts as specified in the September 2, 2015 staff report for this Agenda Item.

Section 5 The Commission Chair and the Clerk of the Commission are hereby authorized to execute and attest, respectively, the Agreements on behalf of the Commission.

Section 6 A copy of each Agreement or Amendment to Agreement when executed by the Commission Chair and attested by the Clerk of the Commission shall be appended hereto as a part of Exhibit A to this Resolution. Exhibit A is hereby fully incorporated as a part of this Resolution by this reference and made a part hereof. Each final executed Agreement shall be placed on file in the office of the Clerk of the Commission.

Section 7 In addition to the authorization of Section 2 above, the Executive Director, or designee, is hereby authorized, on behalf of the Commission, (i) to sign all documents necessary and appropriate to carry out and implement the Amendments(s), (ii) to cause the issuance of warrants, (iii) to administer the Commission's obligations, responsibilities, and duties to be performed under such agreement(s), and (iv) during the term thereof to provide waivers, administrative interpretations, and minor modifications of the provisions of such agreement(s) in the furtherance thereof.

Section 8 The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on September 2, 2015 to wit:

AYES Commissioners: _____

NOES Commissioner(s): _____

EXCUSED Commissioner(s): _____

ABSTAINED Commissioner(s): _____

CHAIR

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Interim Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

IN WITNESS WHEREOF, I have hereto set my hand and seal.

Robin Stieler
Interim Clerk of the Commission, Children and Families Commission
of Orange County, County of Orange, State of California

Resolution No: __-15-C&FC

Agenda Date: September 2, 2015

Item No. __



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

ROBIN STIELER, Interim Clerk of the Commission

By: _____
Deputy

EXHIBIT A TO RESOLUTION OF COMMISSION

(Attach copy(ies) of final executed Agreements)

Hospital Association of Southern California (HASC)
Agreement # FCI-BN2-18
Bridges Maternal Child Health Network
Newborn Screening and Referral – Revised Scope
Term: July 1, 2015 – June 30, 2017

PROGRAM PLANNING AND DEVELOPMENT

- Support ongoing program development and design activities as well as provide oversight and program management to hospitals within the Bridges Network that improves quality, access and sustainability of services. Work with providers to coordinate a continuum of services with a primary focus from the prenatal period through age three (3).
- Assist Commission to develop and coordinate the implementation of an electronic data management system that seeks to streamline data collection that encompasses birthing hospital client screening, data collection and triage into service delivery through the Infant and Toddler home visiting programs, and other identified Bridges Network providers.
- Develop, implement and manage program guidelines for newborn screening and referral services.
- Plan and convene Bridges Network provider meetings or ad hoc workgroups as needed to achieve the purpose of the program.
- Direct the distribution of the Kit for New Parents in birthing hospitals and in prenatal and postnatal settings. Develop evaluation measures and provide recommendations regarding effective, efficient distribution locations for ongoing Kit distribution.
- Develop collaborative relationships with the goal of expanding breastfeeding partnerships throughout Orange County.
- Plan and implement public information and outreach strategies to increase community awareness, enhance outreach to identify women at-risk of negative birth outcomes, promote access to services, expand the number of prenatal partners and referral entities for pregnant women and promote best practices in priority areas such as Safe Sleep and Immunizations.
- Work with the Commission in developing strategies and resources to support and sustain the Bridges Maternal Child Health Program, and specifically the Early Outreach and Referral Program implemented by Orange County hospitals including the Pay for Success Program model. Core functions may include:
 - Participate in team-based review of resources and partnerships that have potential to support, sustain, and/or expand the hospital component of the Bridges Maternal Child Health Network and related hospital based maternal child health services.
 - Contribute to strategic pursuit of national, foundation, or federal grants along with matching funds, leveraged funds, and innovative philanthropy strategies to support, sustain, and/or expand the hospital component of the Bridges Maternal Child Health Network and related hospital based maternal child health services.

QUALITY

- Provide training and oversight on the Bridges Connect electronic referral system and Commission Evaluation and Contract Management System, and implementation of program guidelines.
- Provide training to Bridges Network, as indicated, including curricula and Bridges Network Screening Tool.
- Plan and coordinate ad hoc workgroups and in-service meetings periodically to provide a forum to discuss issues in common and address resolutions through best practices and peer discussions.

DATA AND EVALUATION

- Serve as liaison for the Bridges Network Hospitals to Commission Information Technology vendors and evaluation activities.
- Support analysis of Bridges Connect data to benchmark hospital performance to inform program improvement processes.
- Provide technical assistance and support to Bridges Network participants related to data entry, evaluation, and information about community resources.
- Contribute data to demonstrate the program's measurable impact on children's healthy development and the hospital's ability to deliver high quality care in the community.

INTERAGENCY COLLABORATION & FACILITATING LINKAGES

- Develop partnerships, coordinating and collaborating with other agencies to improve service delivery within the Bridges Network.
- Represent the Bridges Network platform on hospital related community coalitions and stakeholder groups that would benefit the purposes of the Bridges Network.
- Provide leadership to ensure hospital collaboration with other Bridges Network providers including Prenatal, Infant, Toddler, and Public Health Nursing Services; particularly services targeting pregnant and parenting teens, pregnant substance abusing or HIV infected women, and other at risk populations.
- Assist in the convening and coordination of a Bridges Network Advisory Board.

TOTAL CONTRACT AWARD

Project Budget	FY 14/15	FY 15/16* and FY 16/17*
Staffing / Indirect	\$ 88,450	\$138,450
Pay for Success	\$ 50,000	
Kit for New Parents	\$ 60,000	\$ 60,000
TOTAL BUDGET	\$198,450	\$198,450
FTE	.05 Program Administration .05 Program Support .05 Pay for Success	1.0 Program Administration 0.5 Program Support

*Combined FTE position includes Bridges Network scope of work and .5 FTE scope focused on sustainability, including Pay for Success