

Funding and Building Partnerships Working Group

Attendees

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Payfor success.org

EXAMPLE PFS PROJECTS:

[http://www.payforsuccess.org/activity/?facets\[0\]=activity_type:project&sort=recent](http://www.payforsuccess.org/activity/?facets[0]=activity_type:project&sort=recent)

Issues with Pay4Success: how do we prove prevention works in a timeframe that allows investment in it?

How will they help us advance the argument that prevention is the best mode of helping? (Similar to what came first chicken or the egg?)

All prevention/early intervention programs are not equal.

The very upstream programs are hard to measure.

The closer programs are to the downstream end of the continuum the easier it is to measure their impact in a reasonable time frame.

CTC model relies on blueprint programs and models that look at very upstream programs

- What are the steps to get to the ultimate goal around funding preventative programs and build an evidence base around prevention?
- Lot of evidence based blueprints
- Pay4Success is a complex financing model
- Other P4S programs in MA have a more narrow scope than the programs were interested in
- To build this program and have it independently evaluated is to basically pay for outcomes
- We're seeing more projects that want to apply P4S as a collective impact or multiple evidence based programs
- Look more to the early childhood projects: how do we think about proving impact?
- Tying prevention to the impacts we're looking to have

People either have a really great program that has an evidence based (Nurse Family Partnership Project in SC) or have to identify what the appropriate intervention is that can be applied in this model (ROCA)?

- The latter is finding the problem we want to solve and then taking a step back from there to address how to do that.

How does Pay4Success work?

- Governments have been more focused on putting money into treatment
- Pay4Success found a way to put working capital and incentivized governments to invest in prevention
- This is done through verifiable and measurable outcomes
- Brings in outside capital for the working capital upfront investment
- Defined timeframe, measurable outcome, narrow focus
- Funding still comes from government on the backend, because they've actually achieved these outcomes
- The investment risk of getting outcomes is shifted from government to private investors who are paid back subject to contractual terms and conditions
- Underlying premise is that it brings in supplemental innovative financing to prevention but also creates a system that eventually would have the government fund this directly
- Difficult, challenging, time consuming to complete transactions (may not be primary source of financing but part of a portfolio)

What is the general timeframe of outcome delivery? Some interventions can produce measurable outcomes fairly quickly, others stretch out overtime. What kind of timespan are they comfortable with?

- Depends on the project or intervention -> varying evaluation outcomes
- CJ/homelessness: around 5 years
- Childhood intervention has a much longer evaluation period (17 year in Chicago project, more difficult to find investors for that)
- There are often multiple measures in the contract and financing
- Longer term are harder to measure but are also most important (deeper outcome)

Types of outcomes:

Metric Payments which can be intervening and trigger payment (can be shorter term than long term goals/outcomes)

Long term outcome

Examples of indicators of outcomes (intervening measures) for PFS programs:

Toxicology reports

Months without eviction for homelessness programs