

Performance-Based Contracting with Homeless Strategy Office

RAPID REHOUSING SCORECARD – PROGRESS UPDATE

March 20, 2024



AGENDA

1. Background & Introductions
2. Scorecard Design
3. Pilot Overview
4. Pilot Results
5. Looking Ahead
6. Q&A

PROJECT BACKGROUND

Social Finance (SFI) was engaged by Austin Public Health (APH) in September 2021 to embed performance-based contracting into homelessness services.

Background

In July 2020, the City of Austin released the *Investing for Results Report* which recommended the adoption of a “results-oriented contract management approach” for the City’s homelessness services contracts.

Partners



Work to Date



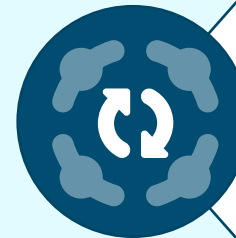
Contract Design (2021 – 2022)

- Selected RRH as a pilot service type for performance-based contracting
- Prepared for RFP release in January 2022



Performance-Based Pilot (2022 – 2023)

- Implemented performance-based contracting across 7 RRH providers
- Issued over \$350,000 in performance-based payments based on outcomes



System Alignment (Current)

- Continue performance-based contracting
- Align approach with CoC system performance processes

SOCIAL FINANCE: WHO WE ARE

Social Finance is a national nonprofit that helps innovators in government **transform public systems** to focus on **measurable and equitable outcomes**.

Social Finance works with governments to...



*Assess and identify
promising strategies*



*Design and
implement
outcomes-based
solutions*



*Measure progress
and adapt service
delivery*

PERFORMANCE-BASED CONTRACTING OVERVIEW

Core principles of performance-based contracting are applied to address critical social challenges

Performance-based contracting is a set of innovative strategies that align funders and stakeholders on a shared set of priorities

Performance-based contracting strategies share these core principles:



Clearly defined
outcomes



Data-driven
decisions



Cross-sector
partnerships



Strong
governance &
accountability

PERFORMANCE SCORECARD BENEFITS

Performance-based contracting tools can draw attention to high-priority outcome metrics and reward providers for strong service delivery



✓ Drives **learning, measurement** and higher-quality **data** on what works



✓ Encourages **collaboration among funders, providers, and agencies**



✓ Incentivizes and **rewards performance by providers**



✓ Helps providers **better understand service delivery**



✓ Generates meaningful public **fiscal value** for improved outcomes

GUIDING PRINCIPLES

Our work began with the development of six guiding principles that we referred to when making decisions



Pay for Performance: Ensure accountability for funding spent



Do no harm & operate under best practices: Avoid misaligned incentives and take a client centered approach



Manage towards results: Use performance data to inform decision making



Strive for Simplicity: Ensure contracting structures, terms, and outcomes are understandable and explainable



Strengthen data alignment: Improve system-level reporting and metric consistency



Advance Racial Equity: Make meaningful progress addressing racial inequities in services and outcomes across providers engaged, individuals served, and community impact

PERFORMANCE SCORECARD FINAL METRICS

Scorecard reflected and awarded points based on performance across five metrics

Austin Public Health Rapid Re-Housing Performance Scorecard				
1. Report Performance			2. Calculate Score	
Measure	Metric	Performance	Point Allocation	Points awarded
1. Enrollment Time / Rate: Measures the time and rate from referrals to enrollment	Portion of Clients Enrolled within specified time periods of Referral Date	X%	15	
2. Move-in Time / Rate: Measure the time and rate from enrollment to move-in	Portion of Households Move-In within specified time periods of Enrollment Date	X%	25	
3. Exits to Permanent Housing: Measures the rate at which households exit to permanent housing	Portion of Households Exited by Destination and Returns to Homelessness	X%	30	
4. Income Growth: Measures the rate at which clients increase their income through employment and/or benefits	Portion of Households who increased or sustained their income	X%	10	
5. Racial Equity Index: Measures racial equity in performance across scorecard metrics	BIPOC subgroup is at least as successful as the white subgroup	X%	20	
Total Available Points			100	

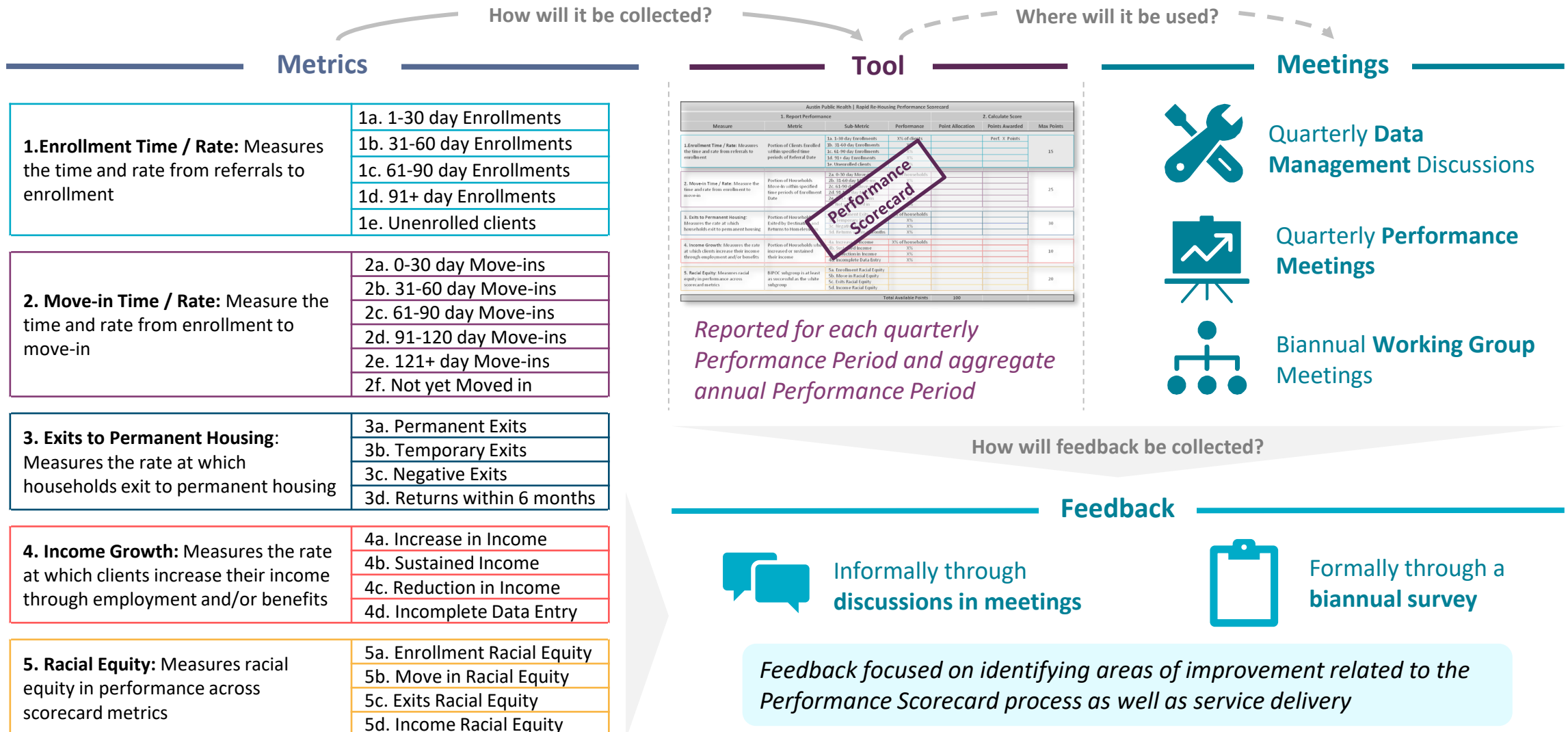
Metrics were assigned points that reflected how important the metric is to APH

We analyzed historical provider performance data to select metrics and assess metric feasibility

Providers needed to be in compliance with their contracts to be eligible for bonus payments

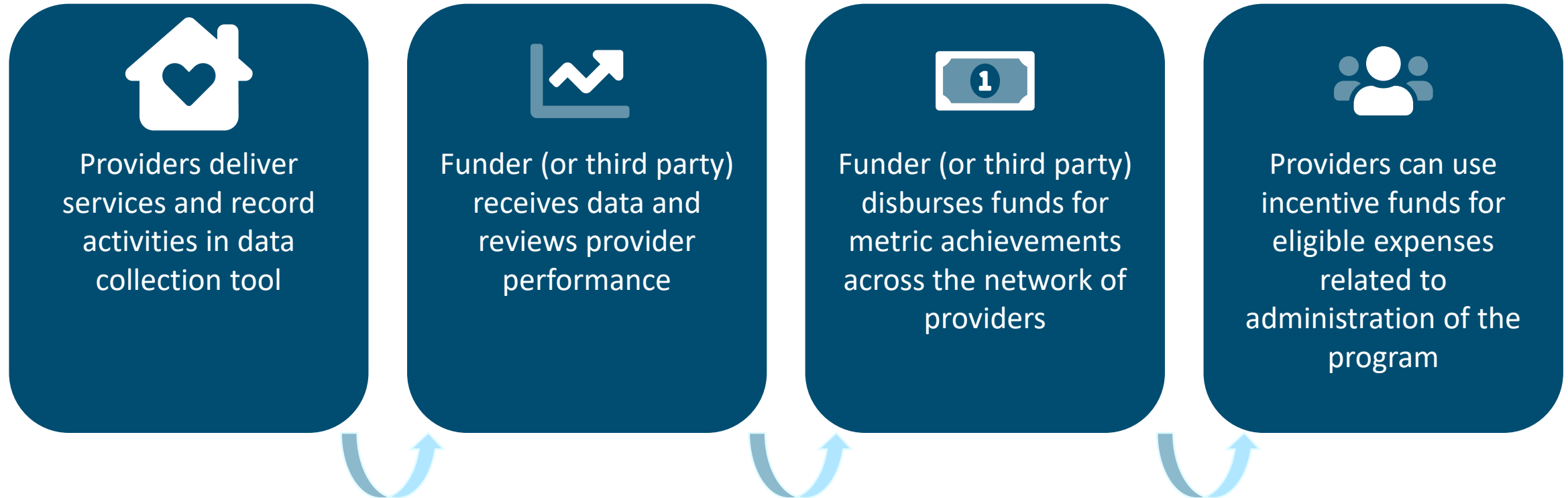
OVERVIEW OF REPORTING AND PERFORMANCE MANAGEMENT

Over the pilot year, we used the Performance Scorecard to support discussions of performance with providers



PERFORMANCE-BASED PAYMENTS

Providers received payments in excess of their annual program budget based on performance that could be used flexibly to support the program and/or reward staff

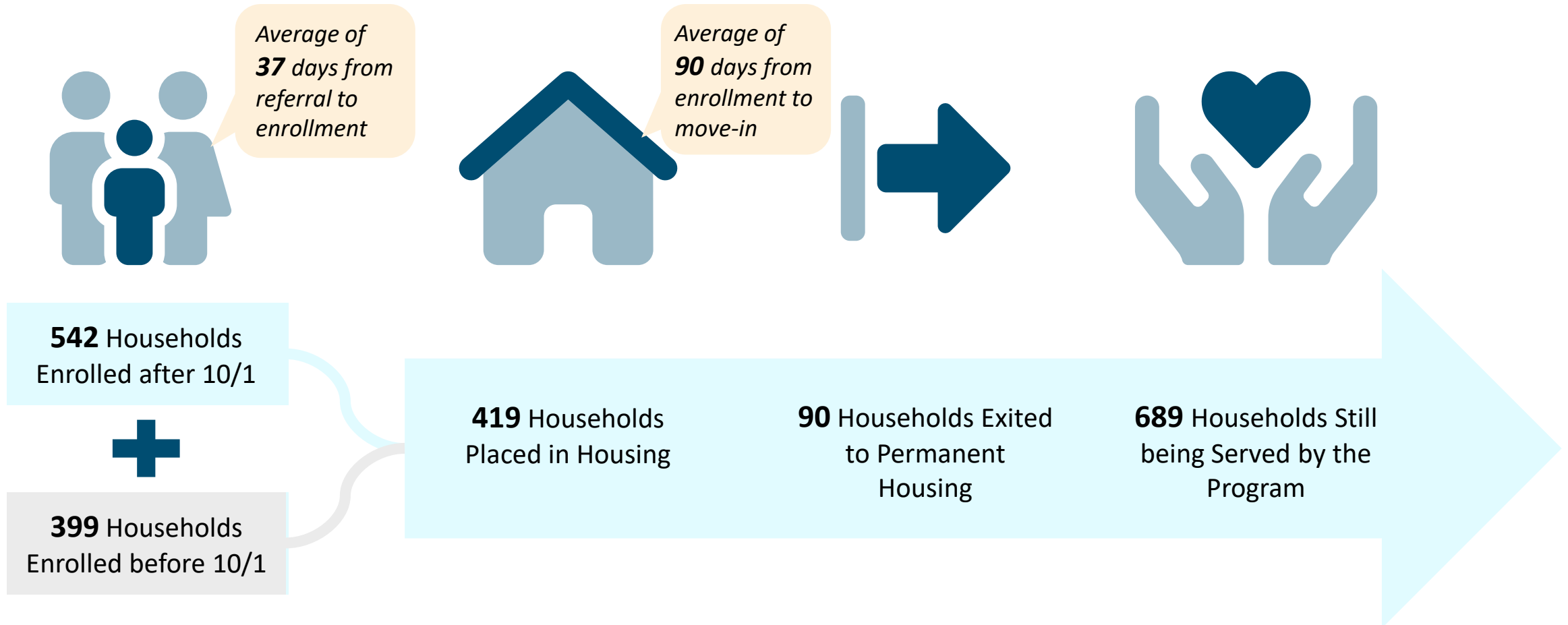


The scorecard (1) **drives system-level change** by providing **incentive payments to providers** for achieving outcomes and (2) **strengthens the data feedback loop** across the system

OVERVIEW OF PERFORMANCE RESULTS

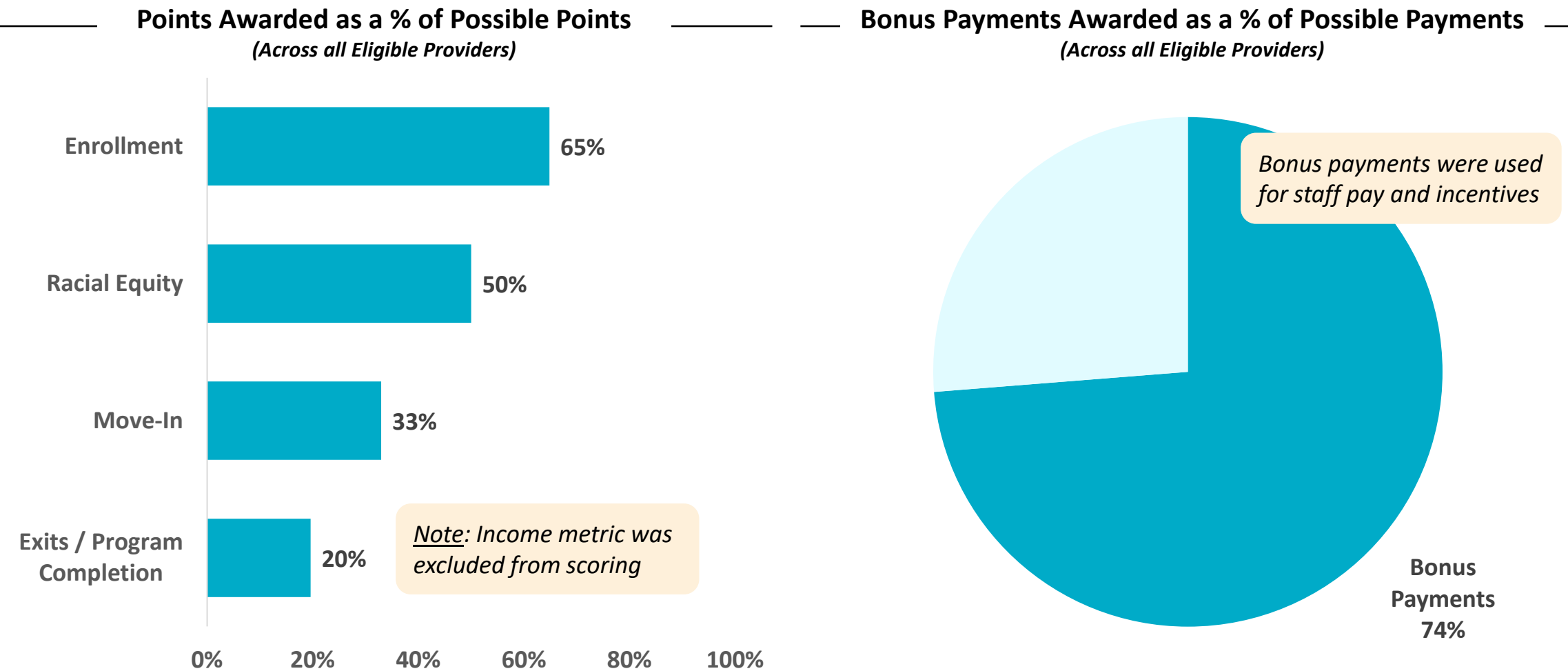
We assessed outcomes occurring during the pilot for all households served by APH funded RRH programs

October 1, 2022 – September 30, 2023 (Pilot Year)



SCORING AND BONUS DISTRIBUTION

We set a high bar for metric scores and distributed bonus payments based on these scores, that were primarily used by providers to pay staff



OVERVIEW OF FOCUS AREAS FOR LESSONS LEARNED

The pilot year offered insight into the impact of operations and decisions across several focus areas



**Contract
Management Support**



**Scorecard
Metrics**



HMIS Support



**Stakeholder
Collaboration**



**Provider
Reporting**



**Internal Process
Review**

PERFORMANCE SCORECARD TRANSITION

Later this year, HSO will align reporting for their contracts to a system-wide scorecard developed by ECHO

Austin Public Health Rapid Re-Housing Performance Scorecard		
Measure	Metric	Max. Points
1. Enrollment Time / Rate: Measures the time and rate from referrals to enrollment	Portion of Clients Enrolled within specified time periods of Referral Date	15
2. Move-in Time / Rate: Measure the time and rate from enrollment to move-in	Portion of Households Move-In within specified time periods of Enrollment Date	25
3. Exits to Permanent Housing: Measures the rate at which households exit to permanent housing	Portion of Households Exited by Destination and Returns to Homelessness	30
4. Income Growth: Measures the rate at which clients increase their income through employment and/or benefits	Portion of Households who increased or sustained their income	10
5. Racial Equity Index: Measures racial equity in performance across scorecard metrics	BIPOC subgroup is at least as successful as the white subgroup	20
Total Available Points		100



ECHO COC Rapid Re-Housing Performance Scorecard		
Measure	Metric	Max. Points
1. Referral to Enrollment	Avg. number of days between referral date and enrollment date	12
2. Enrollment to Move-in	Avg. number of days between enrollment date and move-in date	6
3. Successful Exits	Portion of households with exits to permanent housing destinations	15
4. Returns to Homelessness	Portion of households who returned to homelessness within 6 mo. of an exit	12
5. Income Growth	Portion of households with documented income growth or maintenance of non-zero income	15
Equity Measures	Difference between results for white and BIPOC heads of household on Performance Measures	30
Client Feedback Measures	Portion of enrolled clients who responded to the Client Feedback Survey	+5
Data Quality Measures	Based on Completeness, Timeliness, and Internal Data Audit measures	10 +3
Total Available Points		108

Q&A

Appendix

PERFORMANCE SCORECARD METRIC DETAIL

Performance on metrics and sub-metrics were included in scorecard reporting

Measures:

1.Enrollment Time / Rate: Measures the time and rate from referrals to enrollment	2. Move-in Time / Rate: Measure the time and rate from enrollment to move-in	3. Exits to Permanent Housing: Measures the rate at which households exit to permanent housing	4. Income Growth: Measures the rate at which clients increase their income through employment and / or benefits	5. Racial Equity Index: Measures racial equity in performance across scorecard metrics
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Metrics:

Portion of Clients Enrolled within specified time periods of Referral Date	Portion of Households Moved-In within specified time periods of Enrollment Date	Portion of Households Exited by Destination and Returns to Homelessness	Portion of Households who increased or sustained their income	BIPOC subgroup is at least as successful as the white subgroup
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Sub-Metrics:

1a. 1-30 day Enrollments	2a. 0-30 day Move-ins	3a. Permanent Exits	4a. Increase in Income	5a. Enrollment Racial Equity
1b. 31-60 day Enrollments	2b. 31-60 day Move-ins	3b. Temporary Exits	4b. Sustained Income	5b. Move in Racial Equity
1c. 61-90 day Enrollments	2c. 61-90 day Move-ins	3c. Negative Exits	4c. Reduction in Income	5c. Exits Racial Equity
1d. 91+ day Enrollments	2d. 91-120 day Move-ins	3d. Returns within 6 months	4d. Incomplete Data Entry	5d. Income Racial Equity
1e. Unenrolled clients	2e. 121+ day Move-ins			
	2f. Not yet Moved in			

PERFORMANCE MANAGEMENT MEETINGS

Across a combination of meetings, the goal of discussion was to support data quality, develop a better understanding of performance, including the internal and external factors to contributing to performance, and ideate shared solutions

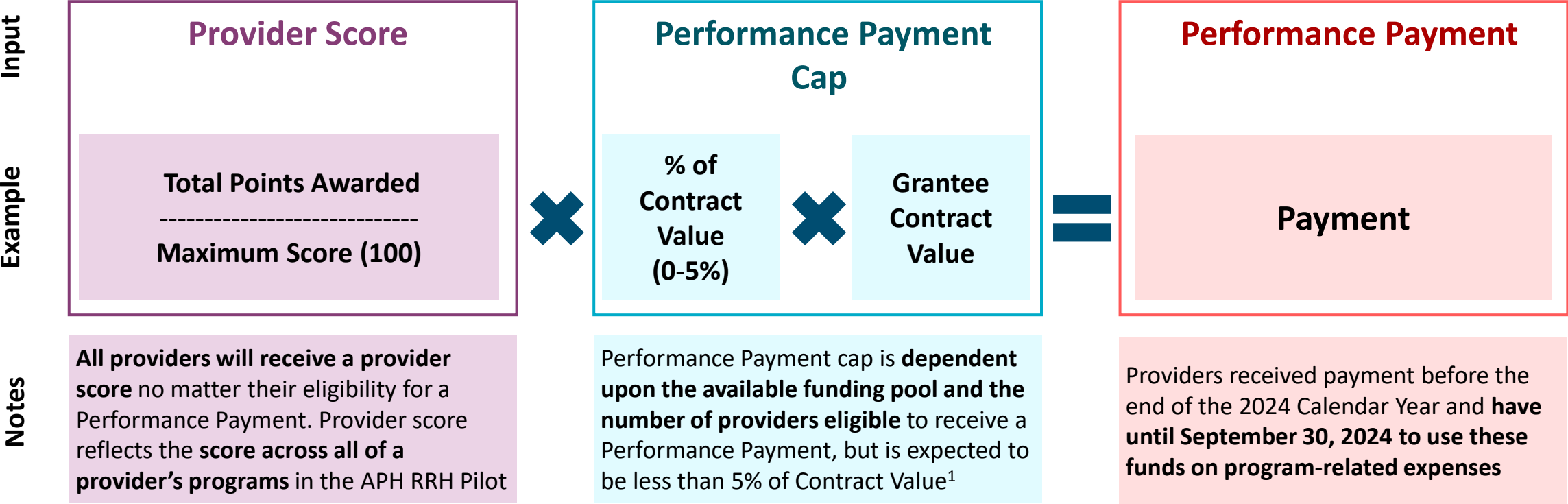
	<i>Data Management Meetings</i>	<i>Performance Meetings</i>	<i>Working Group Meetings</i>
Objective	Quarterly “office hours” to support Performance Scorecard reporting accuracy	Quarterly meeting to contextualize trends in Performance Scorecard metrics	Bi-annual review of performance and provider feedback
Illustrative Discussion Topics	<ul style="list-style-type: none"> How does provider HMIS data entry translate to Performance Scorecard metric performance calculations? What challenges are providers facing when working towards timely completion of reporting requirements? 	<ul style="list-style-type: none"> Review of Performance Scorecard metrics over the Performance Period What context can providers offer on performance (e.g., enrollment strategies, housing market, service delivery updates, unexpected challenges)? What internal/external factors do providers see as having the largest influence on performance over the Performance Period? 	<ul style="list-style-type: none"> What trends exist across provider performance? What external challenges are impacting performance across all providers? What funding and/or policy changes can be recommended to address these challenges?
Participants	<ul style="list-style-type: none"> APH / HSO contract managers RRH Program managers and staff SFI ECHO HMIS staff 	<ul style="list-style-type: none"> APH / HSO contract managers RRH Program managers and staff HSO program leadership SFI ECHO research and evaluation 	<ul style="list-style-type: none"> APH / HSO contract managers APH / HSO program leadership SFI ECHO research and evaluation

PERFORMANCE PAYMENT CALCULATION

The following formula was used to determine bonus payments

Eligibility for Performance Payment

APH will determine eligibility for a Performance Payment based on Provider compliance with contract requirements. For eligible Providers, calculation of the Performance Payment will follow the below formula:



1. Contract Value reflects the full amount of FY23 RRH funding received from APH

SOCIAL FINANCE TEAM

Please feel free to reach out with any questions you may have!



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