Improving Practice And Outcomes Through Collaboration And Performance Based Contracting In Florida's Child Welfare System

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Improving Practice and Outcomes through Collaboration and Performance-Based Contracting in Florida's Child Welfare System

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Performance-Based Contracting: Florida QIC-PCW Pilot Project
The child welfare system has undergone tremendous change during the past decade. Federal law has stimulated much of this change through the Adoption and Safe Families Act of 1997; amendments to the Social Security Act, which authorized reviews of Title IV-B and IV-E compliance; the Multi-Ethnic Placement Act; 1996 amendments to the Child Abuse Prevention and Treatment Act; and the Children’s Health Act of 2000. In 2003, the Children’s Bureau of the U.S. Department of Health and Human Services funded the Improving Child Welfare Outcomes through Systems of Care initiative, designed to test the effectiveness of applying systems-of-care principles and infrastructure to the child welfare population. These community-based, interagency systems of care networks (“network of care”) have shown promise in effectively meeting the needs of children within their homes, communities, and schools. Whether this approach has merit in helping to achieve positive outcomes for children and families involved with the child welfare network of care is unclear. Several compelling issues have emerged in the child welfare system that might be positively affected by a move to an interagency, community-based, network-of-care approach (DeCarolis, Southern, & Blake, 2007).

Privatizing Child Welfare in Florida
Following a pilot program in 1996, the Florida legislature mandated the outsourcing of child welfare services through a “lead agency” design in 1998. Under this structure, the public child welfare agency (Florida Department of Children and Families or DCF) contracts with one or more private agencies within a designated region to provide (or purchase) child welfare services from the point of referral until the obligation ends (McCullough & Schmitt, 2003). The legislative intent was to strengthen the support and commitment of local communities for the reunification and care of children and their families, and to increase the quality, efficiency, and accountability of services (Florida TaxWatch, 2006). The lead agencies -- often referred to as community-based care agencies or CBCs--are responsible for serving all children referred from protective investigations and court systems; ensuring the continuity of care from intake to discharge for all referred children; coordinating, integrating, and managing all child-protective services (CPS) in the community, and cooperating with child-protective investigations; providing directly, or through contract with a network of providers, all CPS; accepting accountability for achieving the federal and state outcomes and performance standards for CPS; and ensuring CPS workers receive required DCF training (Florida Legislature: OPPAGA, 2006).

Between 1999 and 2005, DCF transferred the management and day-to-day operations of the child welfare network of care to 22 lead agencies, including Kids Central, the experimental group in the demonstration project highlighted in this article, and Partnership for Strong Families, the control group in the demonstration project (Florida TaxWatch, 2006). DCF or the local sheriff’s department manages CPS investigations and reports of abuse, neglect, and abandonment while the follow-up and ongoing case management are the responsibilities of the 22 lead agencies.

Kids Central and CMA Contracts
Since the inception of community-based care, contracts between lead agencies, such as Kids Central, and the case-management agencies (CMAs), who serve families, have contained...
state-defined DCF outcome expectations that were used to compile CBC performance reports, although these would not be considered performance-based contracts since performance was not tied to payment in any way. In FY 2007, Kids Central piloted the implementation of additional outcome measures and financial incentives with CMA contracts. These outcomes were based on the following improvements: timeliness of data entry and submission of legal documents, increased permanency and stability for children, monthly supervisory reviews, and an increase in the number of worker contacts with birth parents. These incentives were developed solely by the senior management team at Kids Central and were based on recent literature (Figgs, 2001; James Bell Associates, 2001; McCullough, 2003; & McEwen, 2006), without the input or collaboration of front-line practitioners and supervisors.

Each CMA could have earned up to $60,000 in incentive payments by meeting these additional performance measures. In the pilot, Kids Central awarded less than 50% of the available incentives to the five CMAs involved in this project. During FY 2007, the impact of including incentive-based measures in the CMA contracts was encouraging; however, it did not result in a change in front-line practices nor did it have the desired impact on related child welfare outcomes.

**Florida QIC-PCW Demonstration Project**

In January 2007, the Florida Department of Children and Families (DCF), in collaboration with Kids Central, Inc. (Kids Central), began implementing a four-year demonstration project to create a shared vision of service and performance expectations in the local child welfare network of care in Florida’s Judicial Circuit Five, formerly known as District 13. Through a collaborative, inclusive planning process, the project established financial incentives and disincentives for each performance measure. This process is designed to improve the comprehensive quality-improvement process. Evaluation of the project will measure the impact of the collaborative contractual planning process, the influence of incentives on the ability of contracting organizations to meet outcome measures, and the effectiveness and efficiency of modifications to the quality-assurance processes that monitor these contracts.

Kids Central is the community-based care (CBC) lead agency responsible for organizing the network of care in Florida Judicial Circuit Five, which includes Lake, Sumter, Marion, Citrus, and Hernando counties. As the lead agency in Judicial Circuit Five, Kids Central is responsible for creating a network of care through contracts and informal agreements with community-based organizations. The performance-based contracts and quality-assurance processes between Kids Central and Case Management Agencies (CMAs) are the focus of this demonstration project. This project addresses several of the promising practices identified by the Quality Improvement Center on the Privatization of Child Welfare Services (QIC-PCW). These practices include a shared vision to drive practice and outcomes; an inclusive planning and contract negotiation process, which involves providers, practitioners, and administrative staff; a performance-based contract monitoring process; and a positive outcome-seeking system of utilization management.

**Approach**

According to Kotter (1996), creating the infrastructure to support systems of care requires the engagement of state, tribal, county, city, and/or neighborhood stakeholders. Improving performance-based contracts begins with an investigation of core best practices that are most likely to influence overall program outcomes. Based on this research, an intensive group-planning process utilizing an external, third-party (neutral) facilitator was initiated. This facilitated meeting structure allowed Kids Central and each CMA to be involved in the discussions pertaining to the establishment and evaluation of incentive outcomes.

In reviewing each outcome, the planning group determined which practices they hoped would positively affect it and established a contractual measure designed to encourage best practice. For instance, the amount of time from removal of a child from the home to reunification is
a standard child welfare outcome measure. Since case-management contact with both birth parents immediately following removal of a child significantly enhances the likelihood of reunification, the group agreed that monthly contact with both birth parents by caseworkers should be an incentive-based contractual best practice.

As part of the project planning process, a comprehensive review of performance barriers encountered during FY 2007 was completed. The review identified several reasons CMAs failed to earn performance incentives. For the demonstration project to be successful, front-line practitioners needed to understand contract measures, receive appropriate training on desired outcomes and related practices, and understand how their work ensures federal, state, and local program requirements. To accomplish this, a series of facilitated supervisory training discussions was incorporated into the project work plan. These discussions are intended to improve frontline worker understanding of performance expectations and their impacts on client outcomes.

Ten planning meetings were held between January 16, 2007, and June 1, 2007. During the meetings, the measures and associated incentives were reviewed and analyzed with CMA executive management staff, DCF administration, Child Welfare Legal Services, and Kids Central executive staff, known collectively as the Intervention Group. The Intervention Group meetings allowed participants to identify issues that resulted in the failure to meet incentive measures and developed strategies to address these difficulties. As a result, the project plan was modified to engage staff at supervisory and front-line levels to better inform them and provide necessary supervisory guidance and training surrounding the performance-based contracting initiative.

Coordinated and Collaboration

Collaborative arrangements were developed with key stakeholders engaged in the process. Leadership from key participants played critical roles in the successful creation of the FY 2008 performance-based contracts. The engagement and involvement of individuals from Kids Central, Child Welfare Legal Services, CMAs, Judicial Circuit Five, DCF administrators, supervisors, and frontline staff resulted in enhanced input that generated a greater understanding of outcome expectations and how these can be best achieved.

A project advisory board was also convened. It was comprised of members of DCF state leadership, the Florida Coalition for Children, judicial staff, a state senator, a foster parent, and a foster child. The advisory board has taken an active interest in the implementation and success of this project. Their members have offered to champion the project, and they offered ongoing support at the statewide level.

Changes to the Performance-Based Contracts

Revisions to the Kids Central continuous quality-improvement process will ensure the new performance measures are appropriately evaluated. Quality-improvement data will inform the training, communication, and technical assistance cycle; will identify performance problems; and will advise the contract-planning process for future changes to contract-incentive measures. After the existing incentive measures were discussed and clarified, the Intervention Group worked to establish new incentive measures, create outcome expectations, and identify changes needed to meet the new measures. Finally, Kids Central established a financial incentive pool which was contingent upon each of the agreed-upon outcomes and a shared-risk (or financial penalty) concept and framework. As of July 1, 2007, the FY 2008 incentive measures, related methodology, and incentive payments were established and placed in the FY 2008 CMA contract.

Shared Risks

The concept of utilizing a “shared risk” approach as opposed to an “imposed penalty” for non-performance was developed through the facilitated negotiation process. This approach serves to ensure appropriate recognition and subsequent remediation of any contract-related performance deficits as they arise. Under this concept, if a CBC’s performance was below mini-
mum standards, it would be given support and technical assistance necessary to address the issue over the following calendar quarter. If, after this time, performance continued to fall below expectations, the CBC would have to pay Kids Central for ongoing technical support and assistance. The rate for this intervention is equal to the daily per-employee rate paid to the CBC for contract case-management services.

It is anticipated that this approach will facilitate and improve communication between CBCs and Kids Central; CBCs will improve their understanding of performance requirements and Kids Central will gain a better understanding of the various challenges that directly impact practice. This information will then be used to inform the continuous quality-improvement cycle and to drive future Circuit-wide training and technical assistance. Through this methodology, we expect to find that, since they have a vested interest in programmatic outcomes, CBCs will take a more active role in ensuring implementation of best practices on the frontline. The evaluation process will review the degree to which free and/or paid technical assistance is provided to the CBCs by Kids Central and use this to determine overall changes to performance.

Anticipated Impact

The objective of this demonstration project was to improve outcomes for children and families served in Florida’s Judicial Circuit Five through changes in performance-based contracts and quality-assurance processes. Child welfare research regarding privatization of services has demonstrated success in the use of an inclusive planning process when creating performance-based contracts (Figgs & Ashlock, 2001; James Bell Associates, 2000; Kahn & Kamerman, 1999; McCullough, 2003; McEwen, 2006). The current demonstration project will employ a collaborative contract-planning approach that emphasizes accountability, results, performance, and a sustained commitment to performance-based contracting from leadership in both the public and the private sectors. Based on recommendations from the QIC-PCW, and from a review of current literature (Freundlich & Gerstenzang, 2003; McCullough & Schmitt, 2003), DCF and Kids Central worked to develop a realistic balance of financial incentives to promote desired outcomes while managing the level of risk assumed by CMA providers. The Kids Central quality-assurance program will be modified to ensure that the new outcome measures are appropriately evaluated, and to incorporate feedback-reporting procedures. As part of the overall revision, the quality-assurance framework will move from a process-oriented review of completed activities to a result-focused review that considers the achievement of specific outcomes (see Table 1).

Evaluation Methodology

Secondary data were collected from the following data sources: the DCF Performance Dashboard1, State SACWIS data2, COBRIS data3, and State CBC evaluation data. Potential data sources include the Florida Departments of Juvenile Justice and Education as well as Kids Count data. These data will be evaluated using SPSS to determine if significant differences exist between pre- and post-intervention data sets and

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1Regular performance reports extracted from the State SACWIS system provide and compare CBC performance-measurement feedback across contractually defined outcome (including CFSR) measures.

2Specialized data extracts utilize the present State SACWIS system and its replacement.

3COBRIS is a third-party CBC management program that provides management of client, placement, and residential/foster care data. At the onset of the project, COBRIS was used by both the experimental and control sites. Since the project’s initiation, Kids Central has eliminated use of the system within their organization. However, existing COBRIS data may be used for pre-project comparisons.

4Project evaluators are in discussion with the Florida Mental Health Institute (FMHI) at the University of South Florida. FMHI is responsible for conducting the overall evaluation of the State’s CBC privatization effort. Their evaluation process may be used to assess the effectiveness of initiatives within this project.

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Performance-Based Contracting

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<th>Table 1: Anticipated Project Outcomes</th>
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<tr>
<td><strong>Initial Outcomes</strong></td>
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<tr>
<td>1. Staff awareness &amp; participation</td>
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<tr>
<td>2. Understanding of performance-based measurements &amp; contracts</td>
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between the experimental and control groups.

Conceptual Basis
The conceptual model for this project was the Theory of Change, which is based largely on the Annie E. Casey Foundation publication, “Theory of Change: A Practical Tool for Action, Results and Learning” (2004). The Theory of Change proposes a coordination of efforts that focus on key attributes, such as reducing barriers, developing relationships, promoting knowledge development, and enhancing systemic capacity. According to this theory, such focus will result in organizational, individual, and systemic transformations, which, in turn, should enhance programmatic assets, leadership, support, quality, and services to children and families. By engaging in a facilitated approach to the development of outcomes, contractual expectations, and a system-wide continuous quality-improvement initiative in a cooperative environment, the treatment group in this demonstration project should experience systemic changes in staff attitude, knowledge, awareness, skills, and behaviors. These positive changes are expected to result in improvements in family stability, health, education, safety, and well-being for the children and families served by Kids Central in Florida’s Judicial Circuit Five.

Research Questions
1. Does establishing a shared vision that drives practice result in improved outcomes for children and families?
2. To what extent does establishing a shared vision require inclusive planning and contract negotiations?
3. What are the most salient activities necessary for achieving this objective?
4. Who are the key informants and stakeholders, and how can they best become engaged in this process?
5. How does the inclusive planning and negotiation process improve stakeholder buy-in and contract performance?
6. To what extent does formalized contract monitoring and evaluation affect contract outcomes?
7. What are the critical activities in a formalized contract monitoring and evaluation process?
8. What are the critical activities that promote recognition, operational implementation, and usage of evidence-based practices?
9. Are these evidence-based practices cost effective?
10. Do these activities improve outcomes?

Target Population and Sample Size
The demonstration project’s target population is children placed in out-of-home care, including children in foster homes, residential treatment facilities, emergency shelters, and group homes in Florida’s Judicial Circuit Five. Treatment and comparison groups are comprised of approximately 3,300 and 2,800 individuals, respectively. A power study utilizing a Two-Sample T-Test indicates that both the sample and control groups are large enough to assess whether the activities conducted through the demonstration project will significantly affect outcomes in the experimental/treatment group.
Outcomes
The outcome evaluation process will include a pre- and post-evaluation of child welfare outcome data, which are presently collected by the State, and a comparison of agency-based, client-specific outcome data collected from the experimental and control groups. The pre-and post evaluations of outcome data will be conducted primarily through a review of performance measures established by the State of Florida (the DCF Performance Dashboard).

Process and project outcomes were measured using pre-and post-evaluations of outcome data and a cross-site evaluation between Kids Central and the Partnership for Strong Families. The evaluation plan considered the following key aspects of the process: collaboration of the project team; identification and implementation of the performance-based measurements in contracting and quality-assurance processes; modification and integration of the services and payment systems into the experimental model; and identification of variables that may impact client and systemic outcomes. The evaluation process was designed to assess the effect of performance-based contracting and quality-assurance processes on outcomes achieved within the experimental group. As a result, we propose a hypothesis, namely, that the experimental group will demonstrate significant improvements in outcome measures. The evaluation team will assess data collected throughout the four-year project to determine if there is sufficient evidence to reject the null hypothesis.

Process Evaluation
The process evaluation will collect data related to activities and behaviors carried out in the course of project implementation and use it to assess how and why changes in outcomes occurred. This is accomplished by identifying components (resources, activities, etc.) of the project and analyzing how they are related. This requires the systematic collection of data on the project itself, the results, the acceptance of change among the intervention groups, and the consistency of implementation. Data related to participant expectations and their assessment of the results/outcomes will be collected prior to, during, and after the contracting process throughout the demonstration project. Evaluators will also assess specific processes through direct observation. External and contextual variables that influence the project will also be evaluated.

The external evaluator will complete the following during the process evaluation: develop data-collection tools and forms; conduct focus groups with participants regarding expectations; complete pre- and post-activity surveys; document observations, processes, and activity participation; and develop descriptions, such as program design, planning, operations and anticipated changes.

Participant Feedback
Participant feedback and engagement will be measured several ways. A modified version of the Wilder Collaboration Scale will measure interagency collaboration (Mattessich, Murray-Close & Monsey, 2001). Participant focus groups will be conducted to allow for process feedback. These responses will inform the project as to which aspects have positive impacts on overall outcomes and which may need modification. These measures will be repeated at various intervals throughout the project. Results will determine how collaboration, interagency trust, and cooperation change over time. External evaluators will use the Observational Instrument for Structured Ratings to Assess Group Process to collect responsive impression data. These data will be used to evaluate aspects of each intervention group meeting held during the course of the project. The instrument captures data pertaining to group dynamics, such as power differential among participants, attempts to manage or equalize perceived or actual power differentials, and tension. It is theorized that reducing conflict and improving trust will correlate to improved child welfare outcomes over the course of the project.

Comparison Group
A parallel CBC lead agency in Florida that serves a similar number of children of a similar
demographic and geographic makeup was selected as the control group for this project. The comparison agency, Partnership for Strong Families, also has a similar programmatic structure and administrative approaches. The evaluation team will conduct a cross-site comparison of contracting processes and participant impression data as well as an evaluation of pre- and post-implementation performance data for the experimental and control groups.

**Examination of Key Contextual Events**

Several key contextual events will be considered when evaluating the effectiveness of interventions implemented during this project. These include the potential implementation of diversion staffing by the control group; the overall, statewide impact of Florida’s IV-E waiver; top-level administrative changes within the Florida Department of Children and Families; the Florida child welfare pre-paid mental health plan; changes to the state SACWIS system, and changes to the state’s quality-assurance system.

**Implementation Barriers**

The Intervention Group identified several barriers to the implementation and evaluation of this project (see Table 2).

**Discussion**

The infrastructure of a network of care must be comprehensive and, ultimately, unique to every community that undertakes to address the needs of children and families in such a strategic way. To achieve successful implementation, the individuals who guide the design and development of the infrastructure must be aware of the dynamic and complex nature of leading change. Network of care leaders must also be patient, innovative, and diligent in pacing change. Change that takes place too quickly may meet enormous resistance while slow change risks losing key stakeholders who do not appreciate such paced advances (DeCarolis et al., 2007). Though still in a preliminary implementation phase, the Florida demonstration project in Judicial Circuit Five found significant success and was able to implement multiple system changes in only six months.

This demonstration project was able to quickly implement the planned intervention and to establish new performance-based incentive measures within the CMA contracts as of July 1, 2007. External facilitation of the project was key to this rapid implementation and the successful development of performance-incentive measures and shared risk. An external, third-party facilitator with child-welfare and social-work-practice knowledge was employed for each of the Intervention Group meetings. Use of a facilitator allowed Kids Central to be an active participant during critical outcome and performance-based discussions. The result was a more cooperative environment wherein the lead agency staff was recognized as an equal in the process of attempting to define, develop, and incorporate outcome expectations in the contracting process.

An existing inter-organizational forum (the CEO Roundtable) was utilized to discuss the per-
formance-based incentive measures. The forum regularly brings together executive staff from Kids Central and CMAs, members of Circuit DCF management, and Child Welfare Legal Services to discuss performance and outcome related matters. Use of this familiar setting encouraged group cohesion and participation.

Kids Central also invited their program and practice experts to these forums. These individuals provided invaluable insight into the method of implementing contractual incentive measures, and they identified systematic changes required to achieve the performance-based outcomes. The information gained in these forums from frontline staff and supervisors improved performance-based contracts by transferring knowledge pertaining to outcome expectations and by maintaining close ties to practice.

Early in the process, it became clear that participants had differing opinions of primary concepts or outcomes. This confusion manifested itself in a myriad of ways including misinterpretation of existing outcomes and how those expectations should be measured. Through the course of the Intervention Group meetings, participants identified the lack of a clear delineation between outcome expectations and daily practice expectations. Though CMA staff was knowledgeable of contractual outcomes, these outcomes did not clearly define core practice activities that would help the staff achieve a positive outcome. Such focus on direct practice is critical when determining how an agency or organization will best be able to meet contracted performance expectations. The Florida project team will address required practice changes through the implementation of supervisory training and enhanced Continuous Quality Improvement (CQI) initiatives that

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<th>BARRIER</th>
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<td>Implementation of the new SACWIS program (FSFN) and reporting system came online August 2007. Several critical reports previously available to lead agencies have not been created in the system and may not be available until January 2008.</td>
<td>Many of the contractual incentive measures were implemented with the intent that individual performance outcomes would be evaluated through the use of existing SACWIS reports. Since these reports are not yet available in the FSNF system, it may be necessary to generate a series of ad hoc reports or to get data from other sources to evaluate performance.</td>
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<tr>
<td>CMA internal communication from executive to frontline staff members.</td>
<td>During the course of project meetings, it has become clear that contractual outcomes and practice issues impacting these outcomes are not internally communicated from CMA executive and/or supervisors to frontline staff. This leads to a disconnect between daily practice and expected results.</td>
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<td>Revised outcome measures from the Florida legislature (effective October 2007)</td>
<td>Florida DCF released a new set of outcome measures that will be incorporated into the lead agency contracts. Though the previous State outcome measures were not part of the incentive-measure discussions held with the CMAs, they were included in the CMA contracts. The new measures are written in a manner that leads to interpretive confusion surrounding how the measures will be implemented and evaluated by the State. These new State measures may have unforeseen consequences on the incentive measures developed by the intervention group.</td>
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<tr>
<td>Changes to State processes</td>
<td>Florida has undergone changes to state processes in relation to quality assurance that will impact CBCs statewide and may cause changes in practice.</td>
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clearly identify practices that will facilitate improved outcomes.

**Practice and Policy Recommendations**

Recommendations for program administrators seeking to implement performance-based contracts include employing external facilitators to review all contract expectations with concerned parties; utilizing existing calendared meetings to the greatest extent possible; providing forums for regular communication regarding progress and issues; clearly defining the intent of the contract outcomes, and train frontline workers using these definitions so that this intent is internalized and can be accessed in direct practice; and utilizing a quality improvement continuum to identify practice issues that arise when meeting contract outcomes and provide training for such issues.

Recommendations for policymakers include focusing on how the expected outcomes and resulting changes in legislation will affect direct practice. Ask frontline workers, “What will this outcome mean to your practice?” Provide fiscal and other necessary supports to facilitate the required practice changes; provide legal and/or statutory definitions, as appropriate, of words utilized in the outcome measures to ensure “intent” is clearly conveyed and understood; review data collection expectations, and ensure that the data can be collected and that they provide the necessary information to efficiently measure the intent of the outcome. Clearly, these are preliminary recommendations based on a six-month timeframe; however, Kids Central gained valuable tools and insight with which to carry forward the QIC-PCW demonstration project in Florida’s Judicial Circuit Five.

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Additional Improvements Are Needed as DCF Redesigns Its Lead Agency Oversight Systems. (Report No. 06-05). www.opppaga.state.fl.us/reports/


