



Potential Application: Serving Children at Risk of Developmental Delay

Target population: Children birth to age 3 with mild delay or disability, but who miss the eligibility criteria or do not receive early intervention services.

Intervention: Enhance the capacity of the family to support their child's development, well-being, and participation in their community.

Outcome: Addressing mild delays early on increases a child's ability to make the most of learning new skills in the crucial early years, reducing the need for longer-term special education services and family supports.

Potential Application: Maternal Depression Screening and Referral

Target population: Mothers who exhibit depressive symptoms as identified through a screening process.

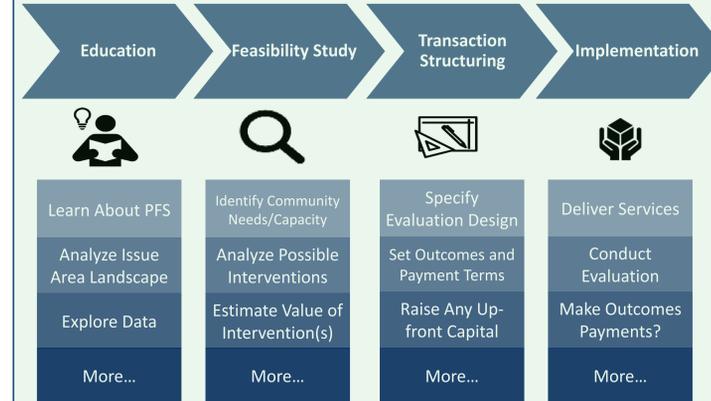
Intervention: Training of EI staff to identify symptoms of maternal depression. Make appropriate referrals and provide supports to improve the parent-child relationship.

Outcome: Given the link between maternal depression, child health and developmental outcomes, providing intervention and supports can reduce long-term costs for both mother and child.

What are the Benefits of PFS?

- * Shifts funds from remediation to **prevention**.
- * Shifts focus from activities to measuring and **improving outcomes** - Government pays only when outcomes are achieved rather than for activities.
- * Increases **funding for what works** - Brings in private funders (philanthropies, commercial lenders, social impact investors).
- * **Increases the body of knowledge** as to what works and what doesn't, particularly at scale, but also with respect to innovation
- * **Strengthens evaluations** - includes a multi-year evaluation.

Stages of a PFS Project



Potential Application: Enhanced Case Management for High Risk Families

Target population: High-need families of children ages birth to 3, with disabilities.

Intervention: Provide service coordination intended to connect families with the additional services for high-risk families e.g., housing support, drug treatment, quality child care, or job training.

Outcome: Better long-term outcomes (reduced need for special education, better academic achievement as measured by standardized tests, less retention in grade, fewer behavioral referrals, etc.).

What is Pay for Success?

Pay for Success (PFS) is an innovative contracting model that...

- * can leverage philanthropic and other private dollars to...
- * finance services for a target population that...
- * measurably improve the outcomes for the individuals and communities and where
- * government can act as the payor (spending taxpayer dollars wisely).

How Does the PFS Partnership Work?

Government	Private Funders	Service Providers	Evaluators	Government
Identifies critical need with historically poor outcomes	Supply upfront capital to high-performing social service provider(s) to address needs	Deliver services to at-risk populations for predetermined period of time	Rigorously measure outcomes to ensure they achieve key benchmarks	Repays investment plus reasonable return if project is successful. If not, pays nothing

Intermediary: project manager, raises capital, contracts with government, identifies service provider, identifies independent evaluator, manages the flow of funds

Image adapted from slides developed by Jerry Croan, Third Sector Capital Partners.

When Does PFS Make Sense?

- * Significant unmet need – at-risk families and children that experience adverse academic and life outcomes
- * Evidence-based or innovative interventions
- * Economic model or other analysis demonstrating public value to government

Discussion Questions

- * What kinds of outcomes would garner strong public and investor support?
- * What are some of the issues that need to be addressed in serving this population?
- * How could PFS be applied to services for young children with disabilities and their families?

