HBGI
Healthy Brains Global Initiative

TOWARDS A NEW CONTRACTING MODEL FOR FULL SERVICE PARTNERSHIPS

A summary of the Report

The Healthy Brains Global Initiative (HBGI) for the Mental Health Services Oversight and Accountability Commission (MHSOAC) of the State of California

December 2023

Full Service Partnerships

California's Full Service Partnership (FSP) programs are intended to be recovery-oriented, comprehensive services for individuals who are unhoused, or at risk of becoming unhoused, and who have a severe, chronic mental illness, often with a history of criminal justice involvement and repeat hospitalizations. FSP programs were designed to serve and maintain people in the community rather than to rely on state hospitals or other locked institutions. FSPs can reduce costs, improve the quality and consistency of care, enhance outcomes, and, most importantly, save lives.

The name – Full Service Partnership – reflects the collaborative relationship between the service provider and the service user (and, when appropriate, the service user's family). The provider plans and provides a full spectrum of community services to enable the service user to achieve their goals, with a 'whatever it takes' approach.

FSPs are core investments of the Mental Health Services Act and a key element of California's continuum of care. FSPs today represent an estimated $1 billion annual investment. As of 2020, more than 60,000 individuals were enrolled in an FSP program.

A consultation and a set of recommendations

There are concerns that current FSP performance may not be optimal. In 2023, the Mental Health Services Oversight and Accountability Commission (MHSOAC) contracted the Healthy Brains Global Initiative (HBGI) to undertake a review of the current FSPs contracts. HBGI was tasked with exploring the performance of the FSPs, with a particular focus on contract design and performance management, and describing if and how outcomes-based contracts could enhance that performance or otherwise strengthen the behavioral health system. The subsequent HBGI Report sets out observations and recommendations with the objective of:

- Strengthening existing services.
- Increasing impact and accountability.
- Re-emphasizing recovery.
- Exploring the possibility of piloting new outcomes contracts.
- Gathering learning to inform future service enhancements.

Powerful and positive first impressions

There is a wide variety of programs with different funding sources and variation in the level of contracting between counties. The HBGI Report focuses on contracted FSPs and mainly those servicing adults. The Report notes:

- FSPs save lives.
- A mature, professional, deeply compassionate service.
- Assistance for people with the highest level of need.
- A clear, shared understanding of the desired impact.
- A demonstrable achievement of that impact.
- A strongly defined case management delivery model.
- A highly committed and professionalized staff.
- Some good involvement of peers.
- Layers of supervision and support.
- Highly detailed record keeping.
- High levels of spending/investment by the State.
- An appetite for innovation and increased impact.

There are pockets of very good practice with a small number of counties monitoring service provider performance closely and some service providers evidencing strong internal performance management systems. The overarching culture is of wanting to do the right thing for all service users. However, the observations on the following slides are true for most contracts and there was widespread recognition of and support for the Report's conclusions.

Some areas for improvement, focusing on Adult FSPs

The Report suggests that there is potential for increased impact through addressing weaknesses in four broad areas:

1. 

Service specification

2. 

Service culture

3. 

Program/system efficiency (notably underspend)

4. 

Performance management

There is one over-arching recommendation which echoes throughout the Report:

> **Measuring impact (i.e. reductions in hospitalizations, incarcerations and homelessness) is not enough. The service must aim to track, report and maximize outcomes – personal outcomes that are meaningful to the service recipients.**

Service specification

- It appears now to be a largely **homogenous service** with a fairly rigid service specification that is replicated everywhere.
- Homogeneity **limits innovation** and also **cultural adaptation** (i.e. cultural fit to each community being served).
- **Access** to the service can be **difficult** and requires someone to 'fail all the way to the bottom'.
- Services are broken down by County systems into levels/**hierarchies of need,** possibly conflicting with the fluctuating personal experience of poor mental health.
- This service targeting people with serious mental illness is **conflated** in the eyes of many people **with homelessness services.**

Service culture

- Providers, and staff, are now incentivized to do **'whatever we can bill'** rather than 'whatever it takes'.
- The **medical model focuses on people's deficits** rather than their assets/potential and their goals.
- The **professionalism** of the system can be a straightjacket, with everything done in a particular way.
- In focusing on (and reporting on) just high-level impact, meaningful **outcomes** for individuals are getting lost.
- The service addresses *people* and *place* but does not give people **purpose.**
- It is keeping people stable – and safe – but with **no progression.**

Program/system inefficiency

- There is inefficiency in the system with **58 wheels being invented** (i.e. each County operating in isolation).
- **Multiple IT systems** and double (or triple) keying.
- High **staff turnover** and low morale.
- **Peers** not utilized as powerfully as they could be.
- The service is running at **70% capacity,** with insufficient incentive for providers to address this.

Performance management

- Overall, there is a lack of **systematic performance management,** by providers and by counties.
- Performance is limited as a result of the lack of transparency and accountability, with no **open performance reporting** and comparison.
- There is no sharing of **best practice** (and no identification of bad performance).
- Attempts to use **incentive-based payments** failed because the incentives were too small and designed incorrectly.
- In most cases, supervision is the only ad hoc **quality assurance.**

The key recommendations

To strengthen existing services and gather learning to inform future enhancements, the Report makes three key recommendations:

1

Implement new performance-based pilot programs

2

Develop new performance management practices

3

Build market capacity

Pilot outcomes contracts

The Report suggests that performance could be enhanced through the use of performance-based contracts (with payments linked to outcomes). Pilots of the contracts should be designed to address each County's specific needs, but the Report describes three possible pilot programs:

1 A new **Purpose-Led Outcomes Contract**

To run parallel to current FSPs, e.g. same target group, with providers paid for each person they help to achieve a purposeful outcome, such as employment.

2 An **FSP Follow-On Program**

With a lighter touch, possibly peer-led support. Service users draw up an Action Plan, including their desired outcomes, and the provider delivers ongoing support with assistance to achieve these outcomes.

3 Two new **Place-Based Outcomes Contracts**

a) *Through-the-Gate Service* for people in jail. With the provider paid for each person post-release reconnecting outside, being accommodated and securing employment (i.e. not being reincarcerated as a result of positive reintegration).

b) *Homeless Community Cluster* (e.g. an encampment of circa 50 people). Provider engages with the community, agrees practical, measurable outcomes with them (including progression from the street) and is paid on the basis of achievement of these outcomes.

Strengthening performance management and building capacity

(with more detail in the Appendix)

There is scope to strengthen considerably the performance management of the FSP contracts.

Driving performance means identifying the program's steps along its Results Chain (inputs, outcomes, outcomes and impact) and then tracking, recording, reporting and reviewing these – with a focus on outcomes. At the moment, only impact and billable minutes are really tracked.

Each month, high performing providers and counties should:

- Produce a monthly Performance Pack.
- Hold a Performance Board.
- Review the Performance Pack and ask 'what should we do differently next month'.
- Develop a Performance Improvement Plan if needed.

The OAC and counties should also:

- Openly compare (and rank) performance across providers (and across counties).
- Replace providers who consistently underperform.
- Invest in 'market stewardship'. e.g. convening best practice sharing events and developing a strategic workforce plan.

Next steps?

Next steps should be agreed with each County and with the OAC, and will vary from place to place. Counties may wish to pick and choose from the Report's recommendations, and mobilize outcomes pilots to meet local needs or look to revise FSP contracts that are coming up for renewal (with a view to build in outcomes) or build capacity across their system in performance management. It is suggested that in Q1 and Q2 of 2024:

- Counties invite HBGI to work with their management teams (and other stakeholders) to identify priorities.
- The specification of pilot programs are developed (notably the outcomes to be delivered and the payment mechanism).
- Procurement commences for service providers, along with market engagement to build interest and capacity in potential pilot providers. New entrants to the market might be encouraged.
- Workshops on outcomes contracting and performance management are run with counties and providers, developing new 'Performance Packs' reporting on monthly activities within the programs.
- HBGI facilitate new monthly Performance Boards, with a focus on outcomes, as well as best practice sharing events across all their providers.

APPENDICES

Who are HBGI?
A ‘framework’ for contract evaluation and design
People, place and purpose – measuring program effectiveness
Outcomes contracts and their advantages
What makes a good ‘outcome’ or payment trigger?
What is performance management?
An example of a performance management system

Who are HBGI?

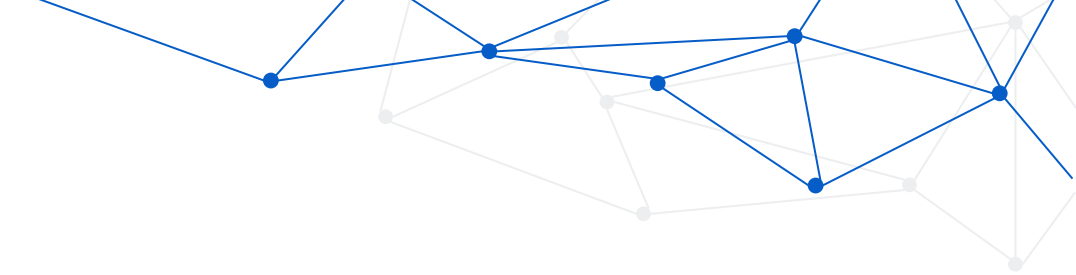
Accountable service delivery

The Healthy Brains Global Initiative (HBGI) was established in 2019 as a 501.c.3 not-for-profit, with the support of WHO, UNICEF, the World Bank and the Wellcome Trust, to address the global lack of understanding and services related to poor mental health - and its causes and consequences. The HBGI team has a unique depth and breadth of experience in the contracting and performance-management of life-changing services for vulnerable communities. We are using performance-based contracting to create a sea change in the scale and impact of mental health and related services - either contracting and funding directly ourselves or as a technical partner with governments. In all cases, we look to pay for results, not waste, and we generate rich 'live' data on service delivery and outcomes. HBGI is funded by philanthropy and through government contracts.

A ‘framework’ for contract evaluation and design

The Report uses this Framework to evaluate FSPs and to set out a possible purpose-led contract

1	***What does success look like?*** There is a strong, clearly articulated definition of high performance that all stakeholders buy into and understand.
2	***What is being purchased?*** Payments to service providers are tied to highly relevant and easy-to-understand deliverables that reflect high performance.
3	***At what price?*** The pricing attached to deliverables must be programmatically informed and relevant, incentivize performance and drive efficiencies.
4	***How much is paid when?*** The payment schedule balances the need for working capital with incentivizing performance.
5	***When and how are (potential and actual) service users, peers and advocates involved in program design, delivery and oversight?*** Service users and peers are involved in the design of the program and throughout delivery.



6	***How is the target group defined and who controls referrals of service users onto the program?*** Careful delineation of the targeted population and definition of eligibility criteria maximize impact.
7	***How is frontline activity and performance recorded and facilitated?*** All activity delivered on the frontline is recorded and can be analyzed, quantitatively and qualitatively, at different levels. And this impacts positively on frontline staff.
8	***What is the performance management structure/system?*** There is a systematic review of performance.
9	***What are the consequences of under-delivery or other disagreements/violations?*** The contractual terms are clear on 'step-in rights' when performance standards are not met.
10	***What assurance model oversees performance?*** Service providers have in place a robust, systematic audit and assurance process to verify the deliverables/outcomes and service quality.
11	***How does the service commissioner (i.e. County Director) fulfill the role of market steward?*** The service commissioner thinks about how to build and support the service provider's capability.

People, place and purpose – measuring program effectiveness

Three domains to define community

Being part of a community, or simply having community in life, is a requirement for overall health and wellbeing. Human beings with strong community flourish while those without it languish. At HBGI, we use three life domains to define community (and to measure program effectiveness):

- People, or ‘someone to love’, provided, for example, through peer support, family reunification or socialization programs.
- Place, or ‘somewhere to live’, such as housing, a clubhouse or peer respite programs.
- Purpose, or ‘something to do’, which might include developing hobbies, education/training, volunteering (including providing peer support), or employment programs.

Outcomes contracts and their advantages

The Results Chain

INPUTS

e.g. training is delivered

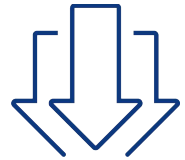
OUTPUTS

e.g. training is completed and qualifications are achieved

OUTCOMES

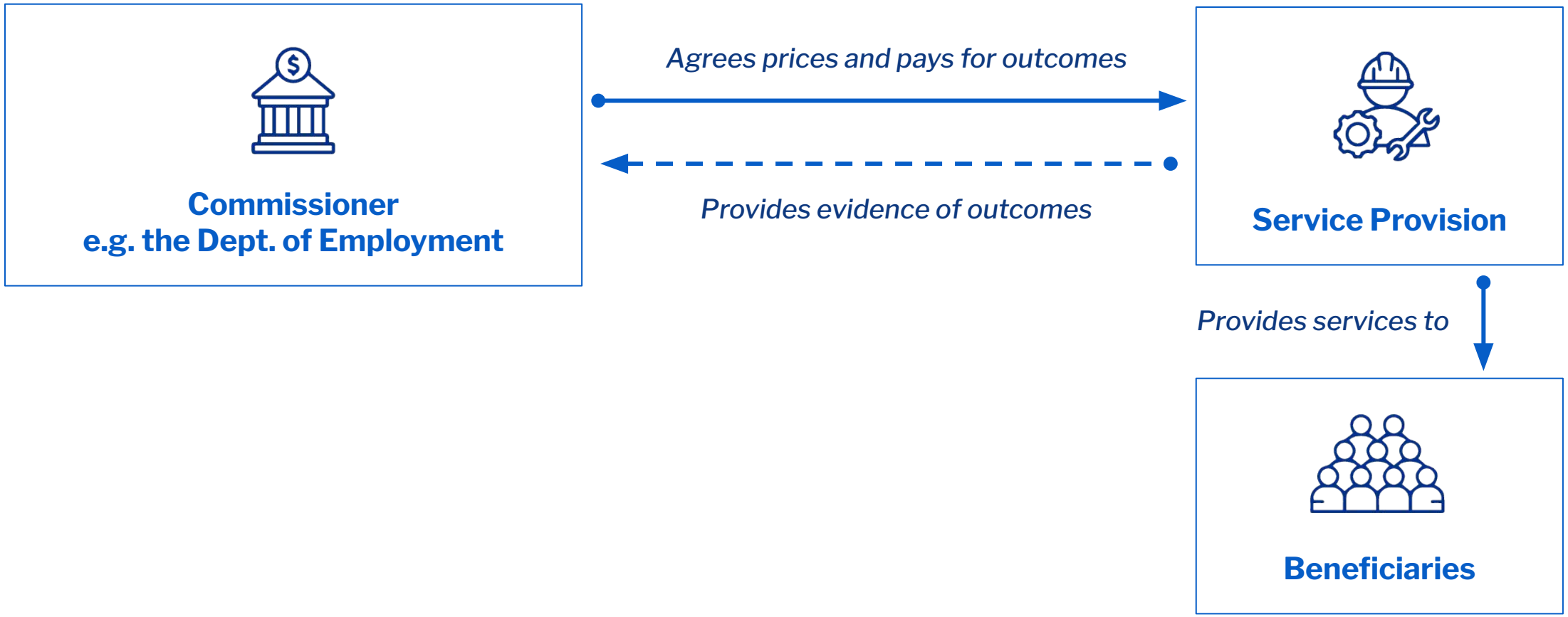
e.g. jobs are secured and sustained

IMPACT



e.g. there is a reduction in unemployment

The simple contracting relationship



A good outcomes-based model can:

- **Align incentives,** or policy with payment.
- **Change the culture,** change the language and focus.
- Increase the **quantity and quality** of performance.
- Deliver **value for money**.
- Pass the **risk of not achieving** to the service providers (or the social investors).
- Also possibly pass the **volume risk** to the service providers (i.e. reaching more excluded people).
- Address **funder fatigue**.
- Increase **transparency** over where money goes (i.e. increase accountability and exclude 'leakage').
- Focus service design on the destination and with the service user.
- Encourage an **individualized, localized approach** (and an 'asset-based approach' moving away from 'deficit' or a 'medical model').
- Enable **flexibility and incentivize innovation** (including in response to conflict).
- Create a **data rich system** because of the performance focus.

What makes a good ‘outcome’ or payment trigger?

How to maximize the incentive/reinforcement?

Agree a **clear, simple definition of success**. Define your target population. Don't prescribe the inputs. Tie the payments to activities/outcomes which are:

- Not too far down the 'results chain'.
- Clear, comprehensible (and a small number of them).
- Relevant, with 'face validity' (i.e. operationally real and linked to what success is).
- Meaningful to the service beneficiary (ideally selected by them).
- Measurable and verifiable.
- Costed with commercial nous and considerate of cashflow.

Then…….track, report and review.

What is performance management?

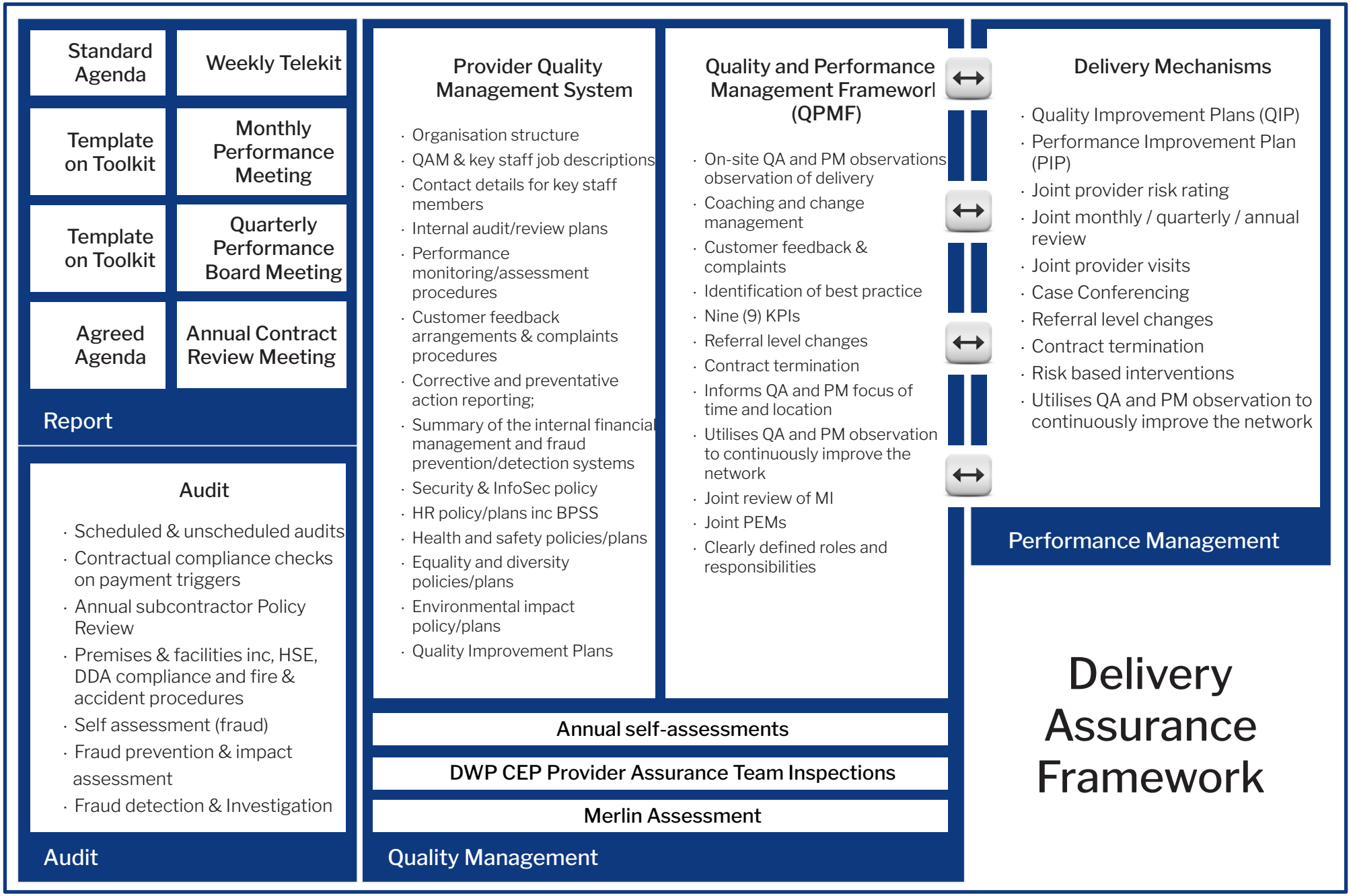
Performance management is the structured conversation about the things that matter

It is a cycle of:

It is reinforced through:

- Clarity
- Consistency
- Transparency/openness/competition
- Celebration
- Flexibility/change
- Commercial consideration

An example of a performance management system


Standard Agenda
Weekly Telekit
Template on Toolkit
Monthly Performance Meeting
Template on Toolkit
Quarterly Performance Board Meeting
Agreed Agenda
Annual Contract Review Meeting
Report
Audit
Scheduled & unscheduled audits
Contractual compliance checks on payment triggers
Annual subcontractor Policy Review
Premises & facilities inc, HSE, DDA compliance and fire & accident procedures
Self assessment (fraud)
Fraud prevention & impact assessment
Fraud detection & Investigation
Audit
Provider Quality Management System
Organisation structure
QAM & key staff job descriptions
Contact details for key staff members
Internal audit/review plans
Performance monitoring/assessment procedures
Customer feedback arrangements & complaints procedures
Corrective and preventative action reporting;
Summary of the internal financial management and fraud prevention/detection systems
Security & InfoSec policy
HR policy/plans inc BPSS
Health and safety policies/plans
Equality and diversity policies/plans
Environmental impact policy/plans
Quality Improvement Plans
Quality and Performance Management Framework (QPMF)
On-site QA and PM observations observation of delivery
Coaching and change management
Customer feedback & complaints
Identification of best practice
Nine (9) KPIs
Referral level changes
Contract termination
Informs QA and PM focus of time and location
Utilises QA and PM observation to continuously improve the network
Joint review of MI
Joint PEMs
Clearly defined roles and responsibilities
Annual self-assessments
DWP CEP Provider Assurance Team Inspections
Merlin Assessment
Quality Management
Delivery Mechanisms
Quality Improvement Plans (QIP)
Performance Improvement Plan (PIP)
Joint provider risk rating
Joint monthly / quarterly / annual review
Joint provider visits
Case Conferencing
Referral level changes
Contract termination
Risk based interventions
Utilises QA and PM observation to continuously improve the network
Performance Management
Delivery Assurance Framework

Standard reports

Monthly and Quarterly Performance Meetings

- ‘Attachments’ and ‘Starts’
- Job Outcomes
- Sustained Job Outcomes
- Percentage of customers not seen with the required frequency during each contracted period
- Contractual administration (e.g. caseload sizes, security concerns)
- Employer relationship management activities
- Quality and Compliance
- Successes from last month or quarter
- Challenges, and actions to address them
- Forecasts for next month or quarter

Weekly Telekits

- Review of actions from previous meeting
- High level Key Performance Indicators
- Underpinning Performance Drivers
- Performance Forecasts/Targets
- Communications and Toolkit news

KPI Summary

Engagement	1	**Programme Attachment**	Initial contact and PPEP commenced within 7 days
	2	**Welcome Session**	Welcome session within 14 days of referral
	3	**Provider Attachment**	3 meetings and a completed PPEP within 28 days
Service/ Ongoing Engagement	4	**Frequency of Contact**	Average of 2 face-to-face contacts per month
	5	**FTA Contact**	Customers who FTA contacted within 3 days
	6	**DMA**	FTAs eligible for sanction have case passed to JCP for DMA
Outcomes	7	**Referrals to Job Starts**	Job Starts measured against referrals
	8	**Job Starts to Job Outcomes**	Job Outcomes measured against Job Starts
	9	**Sustainment Outcomes**	Sustainment measured against Job Outcomes

Levels of performance and tools

For all KPIs, there are two levels of performance:

- Minimum Performance Level
  - Less than this is **Minor Performance Failure**
- Lower Performance Level
  - Less than this is **Major Performance Failure**

Depending on level of underperformance, different tools may be used:

- Quality Improvement Plans (QIP)
- Performance Improvement Plans (PIP)
- Change in service user referrals/flows
- Contract Termination

PERFORMANCE MANAGEMENT TOOLS

PERFORMANCE

Higher

Lower

Achieving/ Exceeding target

Quality Improvement Plan (QIP)

Minimum Performance Level

Minor Performance Failure

Performance Improvement Plan (PIP)

- **Change in Referrals**
  - QIP

* Three consecutive months of Minor Performance Failure will constitute a Major Performance Failure

Lower Performance Level

Major Performance Failure

- **Contract Termination**
  - PIP
- **Change in Referrals**
  - QIP

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