Introduction

The evaluation of "*Striving for Excellence:* Expansion of Child Welfare Performance Based Contracting in Illinois to Residential, Independent Living and Transitional Living Programs" is funded by the Illinois Department of Children and Family Services (DCFS) the National Quality Improvement Center on the Privatization of Child Welfare Services (QIC PCW) through a grant from the Children's Bureau of the Administration of Children and Families of the United States Department of Health and Human Services. Judge Kathleen A. Kearney of the Children and Family Research Center of the University of Illinois, School of Social Work at Urbana-Champaign is the project evaluator.

A Project Steering Committee was established by DCFS Director Erwin McEwen at the inception of the project in January 2007. The Project Steering Committee is responsible for project oversight, development and implementation. Comprised of nine senior leadership team members from DCFS, including Director McEwen and nine private agency executive officers who serve on the state's Child Welfare Advisory Committee (CWAC), the Project Steering Committee meets monthly to make policy and practice decisions. Interviews were conducted of the members following both the first and second year of implementation as a means of documenting project implementation, assisting the Project Steering Committee in its planning process, and to assess the collaborative relationship between the public and private sector as part of the QIC PCW cross site evaluation.

Methodology

A semi-structured interview format was employed for both the 2007-2008 and 2008-2009 interviews. Questions were provided to the Project Steering Committee by e-mail prior to the scheduling of the interviews. Interviews were conducted either in person in Chicago, Illinois or by telephone at the convenience of the interviewee. Verbal or written informed consent was obtained from each member prior to the interview. All eighteen Project Steering Committee members were interviewed. Seventeen were interviewed orally; one member elected to submit responses to the questions in writing. All members were asked the same questions in the same order. Open ended, non-leading questions were utilized throughout. The questions posed are attached as **Exhibit A** to this report.

The interviews took place between December 17, 2008 and January 14, 2009. The longest interview was one hour and fifteen minutes. The shortest interview was twenty minutes. The majority of interviews lasted approximately thirty minutes. This differs from the 2007-2008 interviews where the average length of each interview was fifty minutes. The questions posed remained essentially the same in both years which an emphasis on expectations for and definitions of success; the collaborative process used to implement this project; concerns about the effectiveness of the Project Steering Committee in guiding this project; identified potential pitfalls; and suggestions for improvement.

I. Expectations for Success
Residential

Steering Committee members were asked if they *expected* this project to be successful and what benefits they expected to receive overall if success was achieved. There are marked differences between Year 1 and Year 2. The work of the Project Steering Committee in its first year centered predominantly on the planning and development of the performance outcomes for

residential care. At the time of the Year 1 interviews, the proposed outcomes had been operationalized for only 6 weeks and no project data was yet available to providers. By Year 2, the Residential Treatment Outcomes System (RTOS) was available to providers and capable of providing management reports on residential Treatment Opportunity Days Rate (TODR) which allow providers to reconcile the Department's data with their own. The availability of this data and the use of the developed outcomes in daily practice are now evident in the expected benefits. It is interesting to note that fewer members cited improved outcomes for individual youth in Year 2 as an expected benefit of this project should it be successful.

Table 1 lists the expectations of success frequently noted by Steering Committee members for residential care. Only those expected benefits selected by two or more members are listed in this table for both Year 1 and Year 2. The number in parentheses following the expected benefit indicates the total number of Steering Committee members citing it.

Table 1: Expectations for Success in Residential Care

2007-2008 (Year 1)	2008-2009 (Year 2)
15 members expected this project to be successful 3 members did not know if it would be successful	All 18 members expected this project to be successful in residential care
Expected benefits: ▪ Improved outcomes for individual youth (7) ▪ Improved quality of care provided (7) ▪ Improved overall child welfare system communication & coordination (4) ▪ Allows providers the opportunity to better fiscally plan (3) ▪ Allows residential care to be used as a treatment modality rather than as a long term placement (2) ▪ Better data will be available to know system gaps and needs (2) ▪ Shorter lengths of stay (2)	Expected benefits: ▪ Clear outcomes (5) ▪ Better data available to frontline staff, supervisors and executives to manage (4) ▪ Improved service delivery models (4) ▪ Smoother transitions to and from residential care (3) ▪ Shorter lengths of stay (3) ▪ Improved outcomes for individual youth (2)

Expectations for Success
ILO/TLP

During the Year 1 interviews, Project Steering Committee members were asked if they expected the project overall to be successful. There was no specific programmatic distinction made between residential and ILO/TLP. Six members noted during their Year 1 interviews they were concerned the ILO/TLP aspect of this project was not being given enough attention by the Steering Committee as a whole. Over the course of project implementation it became apparent ILO/TLP was not as advanced as residential for a variety of reasons which are not pertinent to this report. Therefore, during Year 2 interviews each member was asked specifically about their expectation for success of ILO/TLP. Twelve of the eighteen members commented with specific

expected benefits. Although all members believe they will ultimately be successful in implementing performance based contracting in ILO/TLP, three members expressed reservations.

Table 2 lists the expectations of success noted by the twelve Steering Committee members who responded to the question pertaining to ILO/TLP during the Year 2 interviews. Only those expected benefits selected by two or more members are listed in this table. The number in parentheses following the expected benefit indicates the total number of Steering Committee members citing it.

Table 2: Expectations of Success in ILO/TLP

2008-2009 (Year 2)
12 members commented specifically on ILO TLP and expected it to be successful 3 of those members expressed reservations about the expected success
▪ Refocused efforts will lead to clearer outcome measures (7) ▪ Improved data systems (2)

II. Definition of Success
Residential

Project Steering Committee members were asked how they would *define* success for this project. Overall, the responses are consistent between Year 1 and Year 2 with minor differences noted. The recently finalized Discharge and Transition Protocol and its implementation supports the number one answer cited by the Project Steering Committee members in Year 2 by defining success as more efficient and effective admission and discharge into residential care. It is interesting to note that no members cited collaboration between the public and private sectors and creating a culture of learning as part of their definition of success. This may be because such a climate has been established and is presumed to be an existing aspect of the Illinois child welfare system's organizational culture.

The responses for Year 2 also mention the impact of this project on frontline staff as a necessary precursor for practice change. Three Steering Committee members in Year 1 defined success as sharing best practices and preferred practice models between agencies. In Year 2, three members cited the development of new practice models and designs to meet the needs of youth admitted to residential care which appears to be an evolving concept from merely sharing the knowledge of best practices.

Table 3 lists the definition of success noted by the eighteen Project Steering Committee members pertaining to residential treatment during both Year 1 and Year 2 interviews. Only those expected benefits selected by two or more members are listed in this table. The number in parentheses following the definition of success indicates the total number of Steering Committee members citing it.

Table 3: Definition of Success for Residential Care

2007-2008 (Year 1)	2008-2009 (Year 2)
▪ Improved outcomes for individual clients	▪ More effective and efficient admission and

(9) ▪ Overall improvement in the entire system of care, including case management, available services in the community, referral and discharge (7) ▪ Our collaboration is maintained and we learn from what we do well and what needs improvement (5) ▪ Improved data and tracking mechanisms which provide a consistent way to judge performance (4) ▪ More clients getting the treatment they need, when they need it, for as long as they need it, then return to a less restrictive setting (4) ▪ The system is fully funded with the real costs of care provided for in the funding model (4) ▪ Sustained treatment gains over time (4) ▪ Unsure of definition – is this project about building capacity for DCFS or improving quality of care? (3) ▪ Sharing of best practices and preferred practice models (3) ▪ Improved quality of care (3) ▪ Residential treatment used for short term treatment not long term placement or as a behavioral control mechanism (3)	discharge process (6) ▪ Increased stability in placement both in residential care and post-discharge (4) ▪ Improved outcomes for individual clients (4) ▪ Improved quality of care (3) ▪ New program designs implemented to meet the needs of youth (3) ▪ Sustained treatment gains over time (3) ▪ Shorter lengths of stay (3) ▪ Realistic outcome measures used to drive practice change (2) ▪ Increased accountability at the frontline level (2) ▪ Clear roles for frontline staff defined to implement performance based contracting outcomes successfully (2)

Definition of Success
ILO/TLP

Project Steering Committee members were asked to define success for residential, ILO and TLP services overall. Six members commented specifically about ILO/TLP services. Table 4 sets forth the consensus of all of these comments.

Table 4: Definition of Success for ILO/TLP

2008-2009 (Year 2)
▪ Youth able to lead productive, independent and successful adult lives ▪ Clearly defined program plans based on the needs of individual youth ▪ Data is used to detect changes in the needs of the population and develop new programs to meet those needs ▪ Data problems are fixed and data is used to effectively manage this program ▪ Increased accountability ▪ Outcome measures are operationalized and used in a standardized way by all providers

- Each agency has a quality assurance system in place

III. Collaborative Process

A seminal research question for this project is whether or not an inclusive and comprehensive planning process produces broad scale buy-in to clearly defined performance based contracting goals and ongoing quality assurance. Collaboration between the public and private sectors has been documented throughout the development and implementation of this project. Project Steering Committee members were asked several questions pertaining to the collaborative process used including whether or not the use of the existing Child Welfare Advisory Committee (CWAC) committee structure was appropriate for this project and whether or not a project structure similar to this one should be used for future large scale reform efforts. Members were also asked if they believed the collaboration between the public, private and greater child welfare community to be genuine. The results were overwhelmingly positive, especially for this stage of project implementation where performance based contracting is fully implemented and fiscal penalties now apply.

Was the use of the existing CWAC structure appropriate to design, implement and oversee this project?
All 18 Steering Committee members responded in the affirmative in Year 2. 17 of 18 members responded affirmatively in Year 1.

Should this type of collaborative process be used in the future for another large scale reform effort?
All 18 Steering Committee members responded in the affirmative.

Do you view the collaboration between the public and private agencies and the child welfare community as a whole as genuine?
All 18 Steering Committee members responded "Yes"

Comments by the members related to the collaborative process express their understanding and appreciation of the culture of shared problem solving which has been established over time through the use of the CWAC structure. Suggestions were made in both Year 1 and Year 2 to increase the diversity of the process by including stakeholders from other community entities with particular emphasis in Year 2 towards including smaller and downstate agencies in the project.

Table 5 lists comments cited by Project Steering Committee members pertaining to the collaborative process used for this project. Only those comments made by more than two members are listed in this table for both Year 1 and Year 2. The number in parentheses following the comment indicates the total number of Steering Committee members citing it.

Table 5: Comments Pertaining to the Collaborative Process

2007-2008 (Year 1)	2008-2009 (Year 2)

▪ The process was highly collaborative (6) ▪ The right people were at the table to do this work (6) ▪ Stakeholders are missing from the table including (3): ○ DHS ○ County probation ○ Schools ○ Courts ○ Community mental health agencies ○ Smaller agencies ○ Downstate providers ▪ A high level of trust already existed and this project took advantage of it (2) ▪ The use of the existing Residential Monitoring and Data Test Workgroups was very helpful (2) ▪ There needs to be a more defined communication strategy beyond the existing CWAC structure (2)	▪ The collaborative process is positive overall (18) ▪ Increase diversity on CWAC, its subcommittees and workgroups to ensure adequate voice is given to (6): ○ Minority owned agencies ○ Geographically diverse agencies, especially downstate providers ○ Smaller agencies ○ Youth and consumers ○ Faith based providers ○ Other child serving entities such as the schools, county probation and community mental health providers ▪ Collaboration between the public and private sectors is part of our culture and expected (5) ▪ We have a proven track record of working well together to implement reform (4) ▪ The existing CWAC structure provides a forum of open dialogue and honest discussion (4) ▪ The CWAC structure creates a learning environment (2) ▪ Private agencies do not all speak with one voice and their different voices must be heard and considered (2)

IV. Effectiveness of Project Steering Committee

Increased concerns were noted by Project Steering Committee members over their own effectiveness in providing guidance and oversight for this project. When asked about the effectiveness of the Project Steering Committee overall, 8 members responded it was effective. Ten members had concerns. Of those concerns mentioned in Year 2, several were also cited in Year 1. The Steering Committee appears to recognize the need to refocus its energy and recommit to providing the leadership necessary to successfully implement a reform effort of this size and magnitude.

Table 6 lists comments cited by Project Steering Committee members pertaining to the effectiveness of the Project Steering Committee. Only those comments made by more than two members are listed in this table for both Year 1 and Year 2. The number in parentheses following the comment indicates the total number of Steering Committee members citing it.

Table 6: Effectiveness of the Project Steering Committee

2007-2008 (Year 1)	2008-2009 (Year 2)
▪ It's important that Director McEwen be present for each Steering Committee meeting or designate a person who has the authority to bind the Department (5) ▪ Improve internal DCFS communication and clarify who can speak for the Director when he is not present (4) ▪ Formal minutes need to be taken and disseminated so we can hold ourselves accountable for tasks assigned (4) ▪ We have no clear definition of success or shared vision (3) ▪ It is unclear who is managing the process overall (2) ▪ Confusion exists over who decides which CWAC Subcommittee or Workgroup should be tasked with what for this project and what the review process is to review their work (2) ▪ Clarify tasks to be assigned to respective workgroups prior to the implementation phase (2)	▪ Refocus on ILO/TLP to finalize outcomes and operationalize performance based contracting (8) ▪ Increase attendance at monthly meetings, especially that of Director McEwen (6) ▪ Formal minutes need to be taken and disseminated so we can hold ourselves accountable for tasks assigned (6) ▪ Tighten up reporting and communication requirements between the Co-Chairs of the Steering Committee and committee members (4) ▪ Increase diversity on the Project Steering Committee by adding representatives from (3): ○ Smaller agencies ○ Frontline staff members ○ Youth representatives ▪ Focus on fiscal issues in light of the economic downturn (2) ▪ Help agencies struggling with implementation (2)

V. Potential Project Pitfalls

The potential project pitfalls identified by Project Steering Committee members in Year 2 are driven by contextual variables outside the control of this project, most particularly the political turmoil over the criminal and legislative investigations into allegations of misconduct on the part of Governor Rod Blagojevich. Fiscal issues, especially the current policy of guaranteeing payment for 100% of projected bed capacity when beds remain empty, are identified concerns. The lack of sustained funding and changes in DCFS leadership were cited as the primary pitfalls for Year 1, but the tenor of the concern in Year 2 has been elevated due to the current economic downturn experienced nationally and the unique political environment of Illinois. At the time of the Year 2 interviews, Governor Blagojevich was undergoing impeachment proceedings in the Illinois legislature. He has since been removed from office and replaced by Lt. Governor Pat Quinn. Director McEwen remains as Director of DCFS at the time of the writing of this report.

The national economic picture, and that of the State of Illinois, continues to worsen. While the Department has not experienced critical cuts to its infrastructure at this time, these cuts are expected to occur in the future if state revenue projections weaken further. Coupled with the underused capacity problem, the concerns of members over the reduced likelihood of sustained funding for residential rates are elevated.

Table 7 contains items cited by Project Steering Committee members as potential pitfalls for this project. Only those comments made by more than two members are listed in this table for

both Year 1 and Year 2. The number in parentheses following the comment indicates the total number of Steering Committee members citing it.

Table 7: Potential Project Pitfalls

2007-2008 (Year 1)	2008-2009 (Year 2)
▪ Lack of sustained funding (10) ▪ Changes in DCFS leadership (5) ▪ Loss of focus or momentum (4) ▪ Discharging clients before clinically appropriate for agency fiscal gain (4) ▪ Lack of reliable data (3) ▪ Poor matching of clients to providers (3) ▪ Problems with other parts of the system of care, e.g. foster care case management (3) ▪ Lack of proper planning for implementation (2) ▪ Lack of engagement of frontline staff (2)	▪ Budget cuts resulting from the downturn in the economy (13) ▪ Loss of the leadership of Director McEwen due to change in administration (8) ▪ Funds for the project will be pulled prematurely by Illinois legislature and decision makers before the project has the ability to demonstrate its efficacy and effectiveness (8) ▪ Underutilization of residential beds causing wasted funds (7) ▪ Providers "gaming the system" to get around the no decline policy (4) ▪ Resistance to change (2)

VI. Suggestions for Improvement

The suggestions for improvement by the Project Steering Committee members during the Year 2 interviews are indicative of this stage of project development and the current fiscal issues impacting it.

Table 8 contains suggestions for improvement recommended by Project Steering Committee members which are not related to the effectiveness of the Project Steering Committee which are cited above in Table 6. Only those comments made by more than two members are listed in this table for both Year 1 and Year 2. The number in parentheses following the comment indicates the total number of Steering Committee members citing it.

Table 8: Suggestions for Improvement

2007-2008 (Year 1)	2008-2009 (Year 2)
▪ Developed a focused and detailed implementation plan (4) ▪ Decide on an instrument to obtain clinical data needed for outcome measurement and risk adjustment (3) ▪ Articulate shared goals and vision for this project (2) ▪ Engage frontline staff (2) ▪ Extend the "hold harmless period" for another year to allow enough time to analyze the data and refine the performance	▪ Refocus on ILO TLP outcome measures and implement them (8) ▪ Analyze the impact of fiscal issues, especially underutilized bed situation (4) ▪ Look at best practices and disseminate information about them to the field (4) ▪ Provide technical assistance to smaller agencies especially downstate providers (4) ▪ Clearly define the service needs for FY 2010 contracts and develop appropriate treatment approaches to meet the needs of

indicators (2) ▪ Develop strategies to minimize provider fears about performance based contracting (2)	youth (4) ▪ Engage frontline staff to drive practice change (3) ▪ Improve data systems and the use of data through effective reporting mechanisms (3) ▪ Enforce the terms and conditions of the contracts (2)

Evaluator's Recommendations

The following are this evaluator's recommendations for refocusing the work of the Project Steering Committee for 2009-2010 based upon her observations and experience. The recommendations are also consistent with the consensus of the semi-structured interviews of all 18 members of the Project Steering Committee as set forth in the findings discussed above.

1) ***Place emphasis on the fiscal aspect of this project to better analyze the financial implications of project implementation***

   a. DCFS should appoint Roger Thompson of its fiscal office to the Project Steering Committee.
   b. The private sector should appoint an additional representative to replace Arlene Happach who has as strong a fiscal background as she possessed to ensure additional financial expertise is present to represent their interests.

2) ***Formalize and strengthen meetings***

   a. Require attendance of all members.
   b. Director McEwen should make every effort to attend every Project Steering Committee meeting unless he has compelling Department business elsewhere.
   c. Consider holding meetings every other month for longer periods of time, (e.g. 4 hours rather than 2) rather than monthly if this will encourage better attendance from all 18 members.
   d. Require short written decision memorandums from the subcommittees and workgroups to help frame each decision and provide a written record of your work. Decision memos should be submitted to the Project Steering Committee in advance of the meeting whenever possible.
   e. Designate a specific individual as the minute taker. Record and disseminate minutes for each meeting as your permanent record.
   f. Dedicate time to review findings of this evaluator when requested and appropriate.

3) ***Concentrate on the following issues during the upcoming year***

   a. Examine the fiscal implications of project implementation on both the public and private sector.
   b. Prepare a contingency plan to continue project implementation in the event budget cuts impact its financial foundation.

c. Focus on ILO/TLP and support the work of the ILO TLP Data Management Workgroup in determining appropriate outcome measures which can be reliably measured across all domains and fully implemented.
d. Conduct a gap analysis to determine the extent to which the needs of those youth on the wait list for residential care are not being met.
e. Determine what new program models should be designed to meet those needs and develop a plan to do so.
f. Decide if the performance data of all agencies should be made public and if so determine how this information will be disseminated and in what format.
g. Review your current communication strategies and determine if they are adequate to drive this project down to the practice level. If not, develop a communication and training plan to do so.
h. Use the 2009 Statewide Provider Forum to emphasize best practices and disseminate information about strategies to assist all agencies in successfully implementing performance based contracting.
i. Develop a statewide training plan to provide technical assistance to agencies in implementing effective quality assurance/continuous quality improvement systems and overcome implementation barriers.
j. Increase representation by smaller, community based, and minority agencies on all subcommittees and workgroups to ensure their special needs are considered.
k. Develop a communication and advocacy agenda to disseminate accurate information about this project to policy and decision makers in the Governor's Office, General Assembly and to other relevant governmental bodies.