

# DHS News Flash

## DHS celebrates 5 years of success with Performance-Based Contracting

This month, DHS marked the 5<sup>th</sup> anniversary of Performance-Based Contracting (PBC)--an incentive-based model that improves foster care services and increases permanency by rewarding providers who successfully move children to permanent homes. Launched in March 2003, PBC is designed to increase the number of families that are safely reunified and to ensure that children who cannot return home are adopted or placed in subsidized permanent legal custody.

To achieve those goals, PBC increases the permanency and stability expectations placed on provider agencies in exchange for increasing resources and flexibility to them to meet those expectations. Agencies that meet or exceed these performance expectations receive financial and practical benefits, while agencies that fall short of the contractual expectations are subject to financial disincentives. These changes to the structure of foster care contracts have resulted in fundamental improvements to foster care services and more timely permanency for children.

All foster care agencies with caseloads of 50 or more children participate in PBC and currently, 26 agencies have PBC contracts.

According to DHS Acting Commissioner, Arthur Evans, "In the five years since it was implemented, PBC has demonstrated remarkably successful outcomes."

### Permanency rates are significantly higher.

Since FY2002, the rate of permanencies for both foster and kinship care increased 86% across the system. Fur-

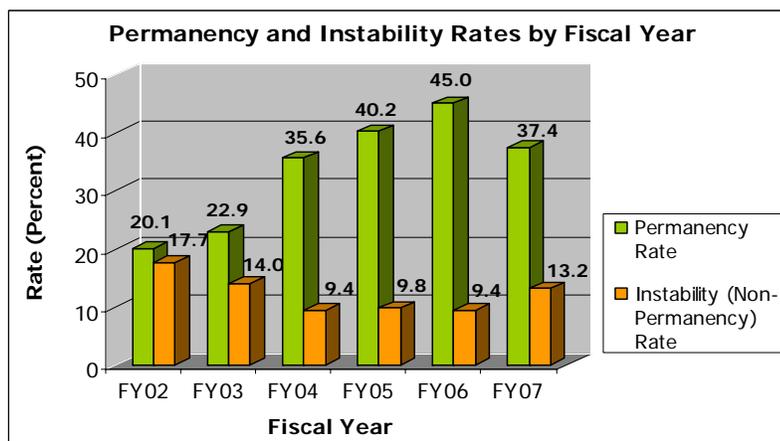
thermore, instability measures (non-permanencies) decreased by 25% since FY2002.

Permanency and non-permanency rates are calculated by comparing the total number of children achieving permanent and non-permanent outcomes to actual caseload sizes. Comparing rates provides a more meaningful comparison than simply comparing the number of outcomes because the rates reflect that more permanencies were achieved with fewer children in care.

**Record numbers of children continue to move to permanency through PBC foster and kinship care. During the last four fiscal years, 5,643 children achieved permanent living situations.**

### Length of Stay in Placement Decreased

PBC is also helping to ensure that children spend less time in placement. The average length of stay in foster care decreased from 32.7 months on 7/1/2002 to 24.5 months on 7/1/2007. The average length of stay in kinship care de-



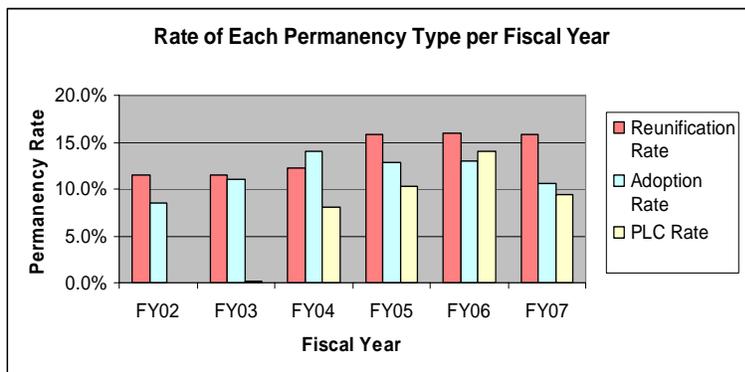
creased from 28.1 months to 20.1 months.

**Rates of Reunification have risen dramatically**

Rates of each type of permanency: reunification, adoption and permanent legal guardianship increased since the implementation of PBC. The rate of children who reunified with their family showed the greatest increase.

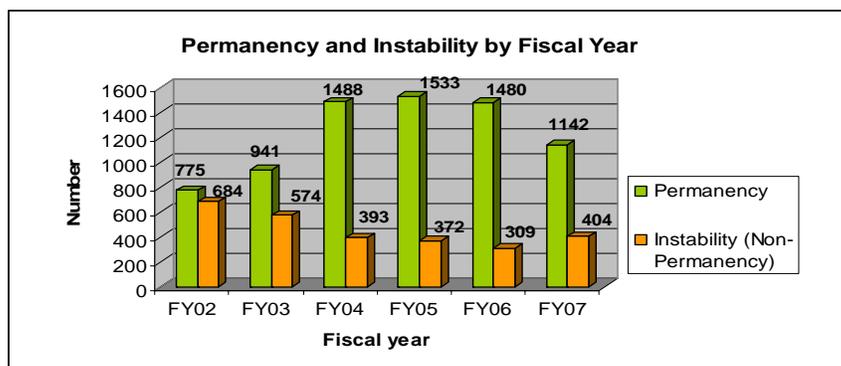
**Fewer Reports of Abuse and Neglect**

Not only are children achieving permanency at a greater rate, but they are also safer. FY2006 data indicate that reports of abuse and neglect within one year after permanency have decreased since the implementation of PBC. In FY2002, 1.8% of permanencies had a CPS within 365 days while 5.9% had a GPS. In FY2006 only .9% of permanencies had a CPS within 365 days while 5.1% had a GPS.



**Returns to Care Decreased**

Children who achieve permanency through performance-based contracting are living in more stable environments. The percentage of youth returning to care within one year of permanency has also decreased significantly since implementation of PBC. Six percent of FY2006 Permanencies returned to care within one year – down from 10% of FY2002 Permanencies.



“DHS is extremely proud of its success with Performance Based Contracting,” says Evans. “Through this innovative initiative, and the hard work of DHS staff and providers, more of Philadelphia’s children are living in safe, stable, nurturing environments.”



# March is Social Work Month

***A message from Acting Commissioner, Arthur C. Evans, Ph.D.***

In 1984, the White House officially designated March as Social Work month as a way to honor the dedication and hard work of America’s social work professionals.

In recognition of this occasion, I want to say to every single staff member at DHS: Thank you for your commitment to Philadelphia’s children and families.

As the outcomes reported in this issue of *Newsflash* attest, DHS’ staff and providers are vastly improving the lives of thousands of children annually. Children in placement are moving into permanent, loving homes in a more timely manner. Children at risk of abuse and neglect are receiving a host of services to ensure their

safety and prevent their entry into the formal child welfare system. And, children and youth at risk of delinquency are getting the supports they need to succeed in school and avoid contact with juvenile justice.

Moreover, each of you has made a significant contribution to our reform effort. As a result, DHS is not only keeping children safer but is also becoming a more accountable and transparent agency.

While we continue to face challenges, each of you should feel proud of what we have accomplished and know that your work is truly appreciated.