



Corporation for Supportive Housing (CSH)

Social Innovation Fund
Pay for Success

Request for Proposals for:

Pay for Success Technical Assistance Focused
on Child Welfare-Involved Families

August 22, 2017

Notice Regarding Public Disclosure: Please note that all information submitted in this procurement process may be made public if directed by the Corporation for National and Community Service (CNCS) or required by law. This may include the names of organizations that submitted proposals, contact information, summaries of proposals and budgets, reviewer ratings and comments, and other information.

Table of Contents

Section I: Timetable	3
Section II: Introduction and Overview	4
Section III: Definitions and Background	5
Section IV: Services Available through this RFP	6
Section V: Proposal Evaluation and Sub-Recipient Selection Process	7
Section VI: Format and Content of the Proposal	8
Section VII: Sub-Recipient Expectations	18

Section I: Timetable

A. Release Date of this RFP

August 22, 2017

B. Live Bidders' Webinar/Teleconference

Date: August 29, 2017

Time: 12:00pm ET/ 9:00am PT

Registration Link:

<https://cshevents.webex.com/cshevents/onstage/g.php?MTID=eee707d5181226f6ea403e4b4e2b4c64c>

Date: September 14, 2017

Time: 1:00pm ET/ 10:00am PT

Registration Link:

<https://cshevents.webex.com/cshevents/onstage/g.php?MTID=e8dd713d0cd58ef67ffe7bb62d010e8c3>

Webinars will be recorded and made available at www.csh.org/pfs

C. Instruction for Submitting Written Questions

Submit to: pfs@csh.org

Please submit all questions by 8:00pm ET/ 5:00pm PT on September 25, 2017 in order to ensure a response.

D. Due Date/Time and Instructions for Submission of Optional Notices of Intent to Apply:

Interested applicants are strongly encouraged to submit Notices of Intent indicating the intention to submit full proposals. Notices of Intent should be submitted via email.

Due Date: September 15, 2017

Submit to: pfs@csh.org

E. Due Date/Time and Instructions for Submission of Full Proposal

Applicants must submit all application materials electronically. The application narrative must be submitted using the provided PDF application form. Attachments must also be submitted electronically. Late submissions will not be accepted.

Due Date/Time: September 26, 2017
by 8:00pm ET/ 5:00pm PT

Submit by email to: pfs@csh.org

F. Interview Stage

Following the review and ranking of the written applications, CSH will schedule phone interviews with the top-ranked applicants. Final determinations will be made based on the results of the interview stage.

G. Anticipated Announcement Date of Sub-Recipient Awards

End of October 2017

Section II: Introduction and Overview

A. Purpose of this RFP

The Corporation for Supportive Housing (CSH) is seeking eligible and qualified governments and tribes that are interested in receiving intensive technical assistance to determine the feasibility of and move toward implementing a Pay for Success initiative with the aim of addressing housing instability amongst child welfare involved families.

CSH intends to select two Sub-Recipients to receive technical assistance. CSH anticipates that each Sub-Recipient will receive approximately 6-9 months of technical assistance. Assistance may be completed in a shorter timeframe, provided that the Sub-Recipient is able to convene the relevant staff for short, intensive 2 day sessions that develop proposals for local decision makers. CSH is interested in working with a site that feels able to accommodate this expedited timeframe.

This new funding opportunity is made possible through grants CSH received through the inaugural Pay for Success (PFS) program of the Corporation for National and Community Service's Social Innovation Fund (SIF) combined with additional grant support from foundation partners.

B. About CSH, the Social Innovation Fund and Pay for Success

- **The Corporation for Supportive Housing** transforms how communities use housing solutions to improve the lives of the most vulnerable people. We offer capital, expertise, information, and innovation that allow our partners to use supportive housing to achieve stability, strength, and success for the people in most need. CSH blends over 20 years of experience and dedication with a practical and entrepreneurial spirit, making us the source for housing solutions.
- **The Social Innovation Fund** was a program of the Corporation for National and Community Service that received funding from 2010 to 2016. Using public and private resources to find and grow community-based nonprofits with evidence of results, SIF intermediaries received funding to award subgrants that focus on overcoming challenges in economic opportunity, healthy futures, and youth development. Although CNCS made its last SIF intermediary awards in fiscal year 2016, SIF intermediaries will continue to administer their subgrant programs until their federal funding is exhausted.

C. Application Overview

Description

CSH is soliciting applicants who are interested in using the Pay for Success model to create supportive housing for Families with High Utilization of Child Welfare Systems and Histories of Housing Instability.

Eligible lead applicants

Government (state, county or city) or tribes that are interested in making payments for successful population outcomes if a Pay for Success initiative is considered feasible.

Eligible interventions

Supportive housing for families

Section III. Definitions and Background

A. Overview of the Pay for Success Model

The Pay For Success Concept

Pay for Success (PFS) initiatives are often public-private arrangements that enable a government to test or expand innovative programs while paying only for those that achieve agreed-upon target outcomes. PFS initiatives are typically associated with preventive social solutions and are put in action through contracts between a government (or other payor for social outcomes) and a nonprofit social service provider. PFS initiatives involve payors and service providers who agree that all or some portion of payment for services will not be paid until an agreed-upon set of outcomes or level of impact has been verified. Such payments for outcomes are known as success payments. Achievement of outcomes is typically verified by an independent evaluator agreed upon by all parties to a contract.

PFS Financing

Under PFS initiatives, it may take several years to verify the outcomes that trigger success payments. In many cases, service providers will not have the resources to self-finance the costs of implementing a preventive intervention during this verification period. For this reason, the service providers may require upfront private financing from third-party funders (often philanthropists or community-based lenders). Often referred to as a “social impact bond,” this financing helps service providers bridge the financial timing gap between when intervention services are rendered and outcomes are verified. Such third-party financing is typically at-risk, with their return of capital (and any potential return on investment) dependent, in whole or in part, on the achievement of the outcomes identified in the contract.

Phases of a PFS Transaction

Typically, PFS initiatives go through three distinct development phases:

1. **Feasibility assessment** – in which interested parties identify a priority target population, an intervention to implement, social outcomes to target, and the capacity of key parties to implement a contract
2. **Contract structuring** – in which the PFS initiative stakeholders, including the PFS government payor, the service provider, third-party investors (where applicable), and the outcomes evaluator, negotiate the specific terms of the contract.
3. **Contract implementation** – in which the contract is executed, initiating the implementation of services to the target population, the on-going evaluation/validation of contract outcomes, and the payment for achieved outcomes by the government payor.

B. Supportive Housing

Supportive housing is a combination of affordable housing and supportive services designed to help vulnerable individuals and families use stable housing as a platform for health, recovery and personal growth. Supportive housing can take many forms, including an apartment, a duplex or a single family home. Tenants in supportive housing have a lease, just like any other tenant, with all the rights and responsibilities of leaseholders. The services available in supportive housing are flexible, voluntary and tenant-centered. Depending on the needs of the target population, services can include case management, mental health services, primary health services, substance abuse treatment, employment services, parenting skills, and trauma-informed care.

C. Supportive Housing and Pay for Success

In dozens of studies, supportive housing has been repeatedly proven to be an effective intervention that improves housing stability, reduces the use of expensive crisis care (e.g., ERs, detox, hospitalization, nursing homes), and improves outcomes even for the most vulnerable individuals with complex needs. The cost savings resulting from supportive housing are particularly significant among families with high utilization of the child welfare systems. This particular target population demonstrates the potential for cost savings through reduced length of stay in foster care and reduced costs for out of home placements, as well as improved outcomes for the families served.

D. Families with High Utilization of the Child Welfare Systems and Histories of Housing Instability

At any one time, there are more than 50,000 families experiencing homelessness in the United States. Some of these families have repeated episodes of homelessness due to underlying addiction, mental illness, extreme poverty, and histories of trauma. These families also tend to have repeated contact with the child welfare system, often resulting in foster care placement for young children and family dissolution. The PFS model offers a potential tool to support the creation of supportive housing for families, helping them gain housing stability, increase family functioning, and improve child and adult well-being, across a range of outcome areas and measures.

Section IV. Services Available through this RFP

Overview of Technical Assistance

The assistance described in this RFP is intended to support the first phase of PFS development—feasibility assessment—as outlined in Section III. Each selected Sub-Recipient will work closely with CSH to develop a customized work plan that will include some or all elements of the following:

- Ensure all members of the core project team understand PFS
- Determine and clearly define the target population
- Define the status quo cost and outcomes for the target population
- Assess ways to improve and scale supportive housing for the target population
- Build a value case that shows the benefits of improving outcomes for the target population
- Identify and define the outcome metric(s) that could trigger payment
- Develop preliminary financial model
- Develop a strategy to identify key partners, including intermediary, providers, 3rd party evaluator, impact investors

Applicants that are selected as Sub-Recipients will receive a customized, robust package of technical assistance designed to facilitate the achievement of the outcomes above. Sub-Recipients will also each have access to \$15,000 in additional resources to defray their costs to participate in the PFS pilot. We anticipate that the value of grants and services received by each Sub-Recipient will range from \$75,000 to \$100,000 depending upon the length and type of assistance needed. Sub-Recipients will also receive a complimentary membership to CSH's Training center, which includes resources, webinars, and e-classes designed to support the creation of quality supportive housing.

Section V. Proposal Evaluation and Sub-Recipient Selection Process

A. Proposal Review Procedures

All proposals accepted by CSH will be reviewed to determine whether they meet eligibility criteria, which include:

- Lead applicant is a government (state, county or city) or tribe
- Interest in receiving technical assistance to explore a Pay for Success initiative for families with child welfare involvement and histories of housing instability with supportive housing as the targeted intervention.
- Intent to commit a minimum of \$45,000 in in-kind staffing dedicated to this effort as demonstrated by a letter of commitment from the organization/division providing the staff.
- If selected, comply with all applicable financial and administrative requirements associated with the prime grant from CNCS, including but not limited to the financial management standards and the standards for documentation of personnel expenses found in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the National Service Criminal History Check requirements. More information can be found at <http://www.nationalservice.gov/resources/terms-and-conditions-cnccs-grants>, and <https://www.nationalservice.gov/resources/criminal-history-check>

Proposals that do not meet these criteria will be rejected. A review committee will evaluate and rate all remaining proposals based on the evaluation criteria described below. Following the review and ranking of the written applications, CSH will invite top ranking candidates to be part of an interview.

B. Proposal Scoring Criteria

As described in Section VI, the review team will use the following criteria to score the written proposals:

- Target Population (15 points)
- Supportive Housing (15 points)
- Access to Data (20 points)
- End Payor Commitment (20 points)
- Leadership Team and Support (20 points)
- Project Environment (10 points)

Detailed descriptions of each of these criteria are described in Section VI below.

In addition to the scoring criteria above, CSH may also consider other balancing factors, such as geography and issue area diversity of projects in development across the country, to determine where technical assistance would be of greatest value to the PFS field.

Section VI. Format and Content of the Proposal

A. Notice of Intent to Apply

Applicants are strongly encouraged, though not required to submit a Notice of Intent to submit a full proposal. Notices of Intent will be non-binding and are intended to help CSH determine how to deploy personnel and expertise to review applications and issue awards. Notices of Intent should contain the information below and are due on September 15th, 2017.

Notices of Intent should include the following information:

- Name of lead applicant division/organization
- Name of lead applicant point of contact including:
 - Mailing address
 - Phone number
 - E-mail address
- Name(s) of other organizations on applicant/program team

Notices of Intent should be submitted electronically to dfs@csih.org per the instructions provided in Section I.D.

B. Proposal Instructions and Format

Please submit a complete electronic version of the application including all relevant attachments using the submission information in Section I.

The full proposal should include:

- **Application**
 - Complete responses to all relevant sections of this application as included in Section VI.C.
- **Attachments**
 - Letter of commitment to provide a minimum of \$45,000 in in-kind staffing and related benefits dedicated to this initiative
 - Letter of support stating commitment to paying for outcomes if a Pay for Success service is a feasible
 - Letter from a government-level executive stating that relevant data, which may include child welfare data and HMIS data, is accessible to the entity leading the application and can be used to define the target population and its history of outcomes achievement through the Technical Assistance
 - Additional letters of support for the project such as those from:
 - Governor/County Executive/Mayor's Office
 - Jurisdiction's central budget office
 - Agency that is anticipated to lead implementation efforts (e.g. Department of Health and Human Services)
 - Anticipated PFS project end payor

CSH anticipates that Sub-Recipients will require technical assistance in many if not all of the proposal areas outlined in this section. Through this application, we are simply seeking to understand the thinking and progress that the applicant has made to date in each of these areas.

1. Applicant Details

1a. Application contact

[This should be the person who will serve as the primary contact during the application process.]

Name and job title:	<input type="text"/>
Division/Organization:	<input type="text"/>
Email:	<input type="text"/>
Telephone:	<input type="text"/>
Address:	<input type="text"/>
State/City:	<input type="text"/>
ZIP code:	<input type="text"/>

1b. Project lead

[This should be the member of staff who will be responsible for day-to-day management of the project.

Please write "see above" if the same as the contact in 1a.]

Name and job title:	<input type="text"/>
Division/Organization:	<input type="text"/>
Email:	<input type="text"/>
Telephone:	<input type="text"/>
Address:	<input type="text"/>
State/City:	<input type="text"/>
ZIP code:	<input type="text"/>

1c. Jurisdiction/Geography

[The anticipated geographic location of the project e.g. County X, City of Y]

1d. Lead applicant

[The organization that is serving as the lead for this application. Lead applicant should be the government entity that is anticipated to make success payments if the potential PFS initiative is determined to be feasible and is executed.]

1e. Other government agencies or units also involved in this application

[Please provide a list of any other government agencies or units within the jurisdiction that have a stake in the success of this PFS initiative and with whom you are working. Please elaborate on why they are interested in collaborating.]

1f. Other community partners also involved in this application

[Please provide a list of any non-profit organizations or other community partners (not within government) that have a stake in the success of this PFS initiative and with whom you are working. Please elaborate on why they are interested in collaborating]

2. Target Population- Child Welfare Involved Families (15 points)

All applicants must respond to all items in this section.

2a. **Target population description:** Please describe the child welfare involved families anticipated to be the focus of a Pay for Success supportive housing initiative. Include any available data regarding the prevalence of this population in the jurisdiction. Please also include the anticipated criteria for identifying members of your target population. For example, this might be a family with at least one open case with child welfare, or with children that are at risk of, or have been removed from the home.

2b. **Target Systems:** Please select any government agencies that will be actively contributing to the Pay for Success initiative through financial support (payment for outcomes) or data sharing.

- Homeless system
- Education system
- Mental health
- Substance use treatment
- Foster care
- Child welfare
- Other _____

2c. **Current outcomes and status quo costs:** Please provide a summary of any available data regarding the current outcomes and status quo costs for child welfare involved families for a potential Pay for Success initiative focused on supportive housing. Costs could include foster placements or out-of-home care costs, physical or behavioral health costs, or criminal justice costs, among others.

2d. **Anticipated value creation from PFS initiative:** Please describe your motivation for improving outcomes for this population through a PFS initiative. This could include averting placement disruptions, decreasing foster care census, or other safety, wellbeing and permanency goals. If your interest is driven by cost savings, please describe a) the anticipated outcomes and cost savings you expect to see and b) whether the initiative would go ahead if further analysis suggests the cost savings are not as anticipated.

3. Supportive Housing (15 points)

All applicants must respond to all items in this section.

Quality supportive housing projects are as diverse as the communities in which they are located and CSH is excited to work with the selected Sub-Recipients to design the most appropriate model for the community and selected target population. Despite these differences, quality supportive housing:

- Targets households whose heads of household are experiencing housing instability, are at risk of homelessness, or are inappropriately staying in an institution. They may be facing multiple barriers to employment and housing stability, including mental illness, substance use, and/or other disabling or chronic health
- Is affordable, meaning the tenant household pays no more than 30% of its income toward rent
- Provides tenant households with a lease or sublease identical to non-supportive housing — with no limits on length of tenancy, as long as lease terms and conditions are met
- Proactively engages members of the tenant household in a flexible and comprehensive array of supportive services, without requiring participation as a condition of ongoing tenancy
- Effectively coordinates with key partners to address issues resulting from substance use, mental health and other concerns, with a focus on fostering housing stability
- Supports tenants in connecting with community-based resources and activities, interacting with diverse individuals, and building strong social support networks.

For more information on quality supportive housing, see www.csh.org/quality. CSH is seeking applications that demonstrate the jurisdiction's intent and ability to create quality supportive housing that meets the needs of vulnerable families.

3a. **Housing strategy:** To the extent this information is available/known please describe the **housing** strategy being considered for the PFS initiative. Include whether you intend to access existing units of rental housing, develop additional units of housing, or a combination of both. Will these units be scattered in multiple locations? Located at a single site?

3b. **New construction:** Do you anticipate that the PFS initiative will include construction of new units of supportive housing?

Yes No

If yes, will these units be ready and/or available by 2018-19?

Yes No

3c. **Service strategy:** To the extent this information is available/known please describe the **service** strategy that you are considering for this family-focused PFS initiative. Please provide any relevant detail on anticipated service models such as the use of family centered case planning/management, trauma-informed care, or Integrated Care Management (ICM). What kinds of services do you anticipate delivering? (e.g. case management, support with activities of daily living, employment supports, peer supports, parenting classes, mental health/ substance abuse/ domestic violence counseling, etc.)

3d. **Supportive housing providers:** Provide a brief overview of supportive housing providers in the jurisdiction that can deliver high quality supportive housing to families with children. Also address to what extent the providers you describe are interested and/or likely partners for a PFS initiative.

3e. **Supportive services funding:** Describe how services are typically funded in supportive housing in the jurisdiction, including how care coordination and case management are funded during or beyond an open child welfare case. Describe to what extent service providers are currently leveraging Medicaid or other “mainstream” funding sources (e.g. child welfare funds, local tax dollars, Department of Human services funding, etc.) to pay for services in supportive housing.

4. Access to Data (20 points)

All applicants must respond to all items in this section.

CSH is seeking applications that have existing access to relevant data for the purposes of:

- Target population identification and analysis
- Outcome identification, measurement, and tracking
- Cost/benefit analyses

CSH anticipates that most applicants will require support in analyzing and matching child welfare involved family data, but hopes to see data sharing agreements in progress or in place.

4a. **Data systems:** Provide an overview of the data systems that contain relevant data on child welfare involved families. Describe how this data is currently accessed.

4b. **Data integration and matching:** Please describe the data sharing arrangements in place between child welfare and the systems selected in question 2b. Include whether or not these systems have a Memorandum of Understanding in place.

5. End Payor Commitment (20 points)

All applicants must respond to all items in this section.

One of the most critical roles to be filled in any PFS initiative is that of potential end payor. An end payor is an entity that stands to benefit from the successful implementation of the intervention in terms of cost savings and/or other desired outcomes. In most PFS initiatives, this end payor is the government. The end payor is an essential early partner when determining the feasibility of a potential PFS initiative. During feasibility, the end payor(s) must be identified along with the size and source of their potential success payment commitment. CSH anticipates that the applicant's organization is committed to being the end payor if the initiative is considered feasible and moves ahead.

5a. **End payors:** Are there additional organizations (besides that of the lead applicant) that would be interested in paying for outcomes? Please describe their potential role in the initiative and why they are interested.

5b. **End payor letter of support:** Please provide a letter of support from the anticipated end payor(s) for your PFS initiative as an attachment to the application. The letter should state that the end payor anticipates making payments for outcomes if the initiative is feasible and if it moves ahead.

6. Leadership Team and Project Support (20 points)

All applicants must respond to all items in this section.

CSH is seeking applications that demonstrate the presence of key divisions/organizations on the project team as demonstrated in both sub-section 1 (Applicant Details) of this section as well as described below.

6a. Leadership Team Members: Please list the names, job titles, divisions/organizations, and key qualifications of the project team that will make decisions regarding the initiative's target population, intervention design, outcome metric, and payment terms. Attendees should be the decision-makers for child welfare services plus the systems you selected in question 2b. Leadership team members will be expected to participate in at least three in-person meetings at key points of the TA process: project kick off, three months post-TA start and six months post-TA start.

6b. Project Team Members: Please list the names, job titles, divisions/organizations, and key qualifications of the project team that will carry out the day-to-day development of the feasibility study.

6c. Overall staffing: Describe the overall staffing that will be dedicated to the PFS initiative if selected, including percent of full time employees (FTE). Include the titles and organizations/divisions of any dedicated staff. This may include the leadership and project team members, as addressed in questions 6a and 6b.

6d. **Letters of support:** In addition to the letter of support from your anticipated end payor(s) provided in the previous section, please include any additional letters of support that you feel would strengthen your application. Such letters could include those from:

1. Governor/County Executive/Mayor's Office
2. Jurisdiction's central budget office
3. Agency that is anticipated to lead implementation efforts (e.g. Department of Health and Human Services)

7. Project Environment (10 points)

All applicants must respond to all items in this section.

CSH is seeking applications that demonstrate a clear strategy for using PFS to produce positive outcomes within the context of its jurisdiction. Applicants should consider why PFS is a useful mechanism in conjunction with existing supportive housing or child welfare initiatives and with a view to scaling the model if successful.

7a. **Jurisdiction interest:** Has your jurisdiction completed other PFS feasibility studies for this or other target populations? If so, what resulted from those studies? If not, why is it considering Pay for Success as a mechanism now?

7b. **Connection to jurisdiction initiatives:** Please describe how this initiative would complement existing child welfare or supportive housing initiatives in your community. If there are no existing initiatives, please describe why this initiative would be successful in the broader landscape.

7c. **Scaling:** If the intervention is successful, what is the potential for scaling it up within your jurisdiction?

7d. **Low-Income Communities:** Describe how the PFS initiative would serve Low-Income Communities. Consistent with the broader purpose of SIF, the intent of the PFS Program is to encourage the implementation of PFS strategies in order to enhance the reach of innovative community-based solutions that have evidence of improving the lives of people in low-income communities*.

* Low-Income Communities are defined as:

- A population of individuals or households being served by a subrecipient on the basis of having a household income that is 200 percent or less of the applicable federal poverty guideline, or
- Either a population of individuals or households, or a specific local geographic area, with specific measurable indicators that correlate to low-income status, such as, but not exclusive to, K-12 students qualifying for free or reduced lunch, long-term unemployment, risk of homelessness, low school achievement, persistent hunger, or serious mental illness.

Section VII. Sub-Recipient Expectations

A. Memorandum of Understanding

To be considered eligible for the selection process, successful applicants will need to be willing to enter into an MOU with CSH over the terms of the *pro bono* technical assistance.

B. Knowledge Sharing

Selected Sub-Recipients should be willing to make key documents from the PFS development process publically available, including contracts and evaluation plans. In addition, CNCS and CSH will collaborate with selected Sub-Recipients to collect, disseminate and discuss best practices and lessons learned. We expect that Sub-Recipients will participate in media and communications efforts related to the initiative in their local site.

C. Evaluation

The SIF PFS initiative seeks to contribute to building the evaluation base for PFS initiatives. A program-wide evaluation of the initiative will be conducted by an independent, third-party evaluator. Sub-Recipients are required to participate in the evaluation and collaborate with the evaluators.