Breakout Session Two:

Post Feasibility: Exploring the Ins and Outs of Transaction Structuring

2018 Pay For Success Convening of Early Childhood Advisors

Wednesday, June 20
11:15 am – 12:30 pm

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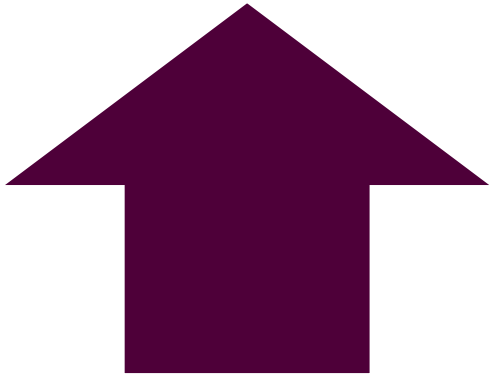
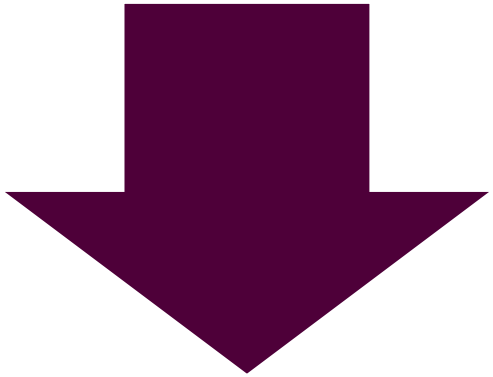
hello family



- CHILD AND MATERNAL HEALTH
- FAMILY STABILITY
- EDUCATIONAL ATTAINMENT
- SKILLED LABOR FORCE PARTICIPATION



- CHILD MALTREATMENT
- MATERNAL DEPRESSION
- BEHAVIOR PROBLEMS
- EDUCATION, WELFARE & HEALTHCARE COSTS

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A proposed continuum of support for families in the City of Spartanburg

Home Visiting (prenatal/newborn)	Parent Education & Support (children 0-5)	Early Learning (ages 6 weeks – 4 years)
BirthMatters *Low-income mothers under age 24; prenatal* — *PFS*	Triple P *Positive Parenting Program* — *PFS*	Expansion of Quality Counts — *PFS*
Family Connects *Universal access; newborn visits* — *PFS*	Text4Baby	Salary Supports
Nurse-Family Partnership *Expanded via SC PFS project*	Ready Rosie	Additional Slots in Quality Centers
	Imagination Library	Model Early Learning Center
	Spartanburg Basics	

PFS = included in Pay for Success financing transaction structuring work supported by ICS, Nonprofit Finance Fund, & Social Innovation Fund

MARY BLACK FOUNDATION

Spartanburg School District SEVEN

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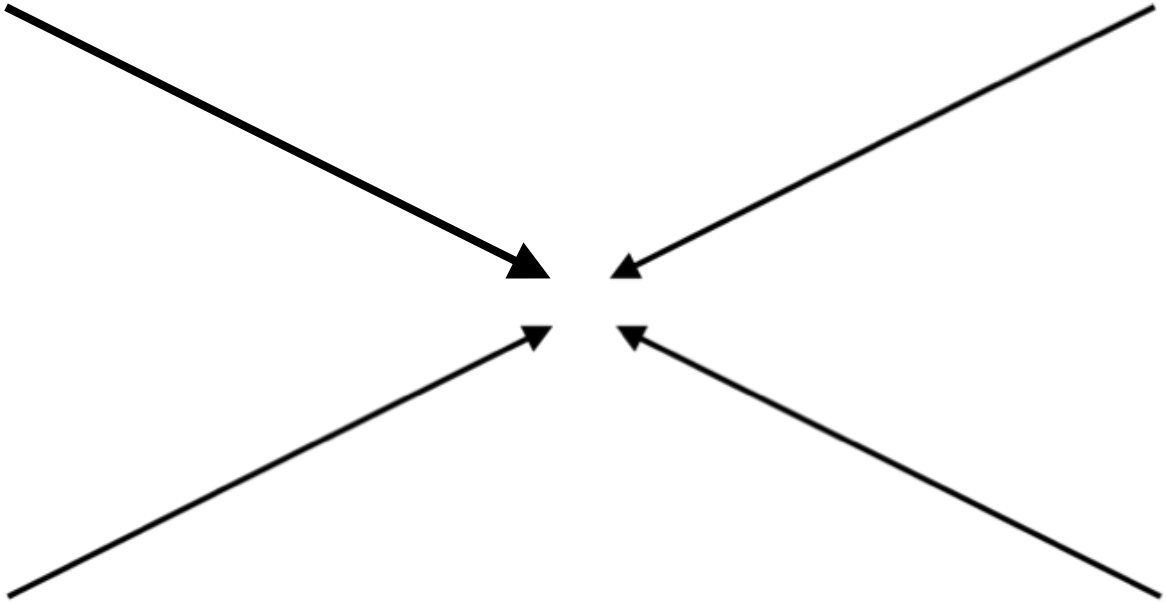
be BOLD BRAVE WELL

City of SPARTANBURG south carolina

Project Team:
Financial structuring
& evaluators

Outcome
Purchasers:
Public entities



Capital providers:
Local, regional,
national

Service Providers:
Existing to scale,
New

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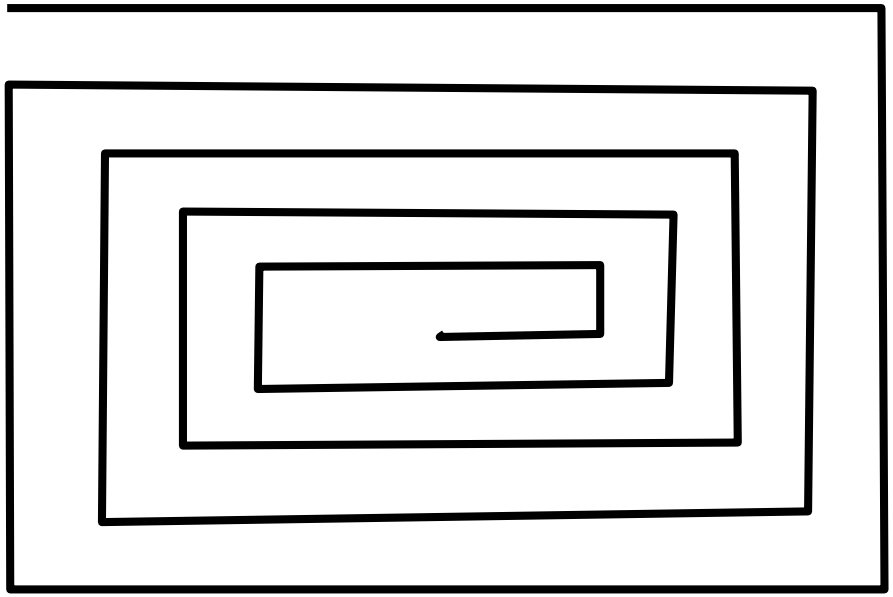

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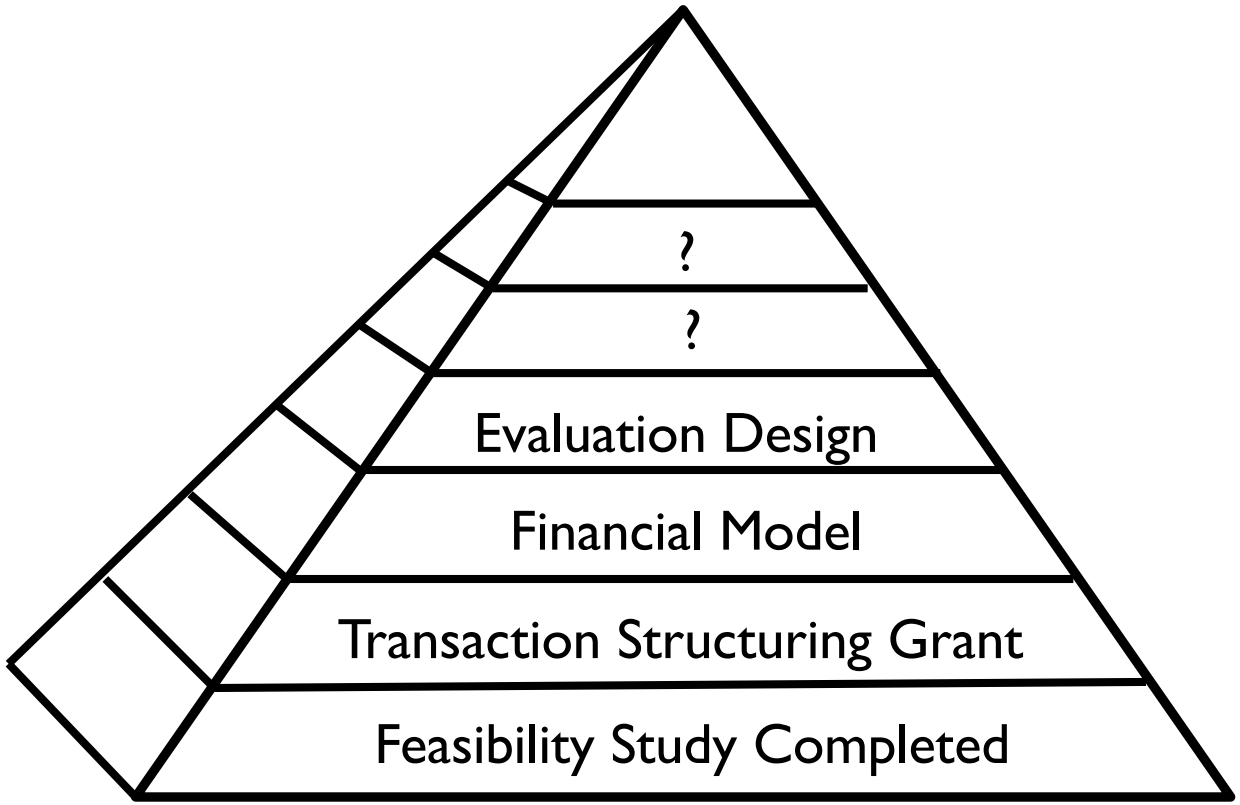

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HELLO FAMILY PROGRAM

Revised: April 9, 2018

	PRENATAL - BIRTH	BIRTH – 6 MONTHS	6 MONTHS – 5 YEARS	BIRTH – 6 MONTHS	IMPACTS
Service Provider	BirthMatters Doula support for low-income mothers	Family Connects Universal postnatal nurse home visiting	Triple P Universal parenting and family support	Quality Counts Early Learning Quality Improvement	
Approximate Service Population (Spartanburg, SC)	360	2,100	3,250	700	
Potential Outcome Metrics	**REDUCE:** Low-weight births Preterm births Caesarean birth rate NICU admissions **INCREASE:** Breastfeeding at birth Healthy birth spacing	**REDUCE:** Emergency medical utilization, ER and inpatient. **INCREASE:** Access to high quality childcare	**REDUCE:** Foster care placements Child maltreatment **INCREASE:** Tentative: Family Protective Factors	**REDUCE:** Teacher turnover **INCREASE:** Kindergarten Readiness Classroom quality Teacher qualifications and retention	**REDUCED:** Child medical costs Parent medical costs Child Protective Services costs Mental health costs Substance abuse Criminal behavior Remedial education costs **IMPROVED:** Child and adolescent behavior Cognitive development Educational outcomes Labor market outcomes

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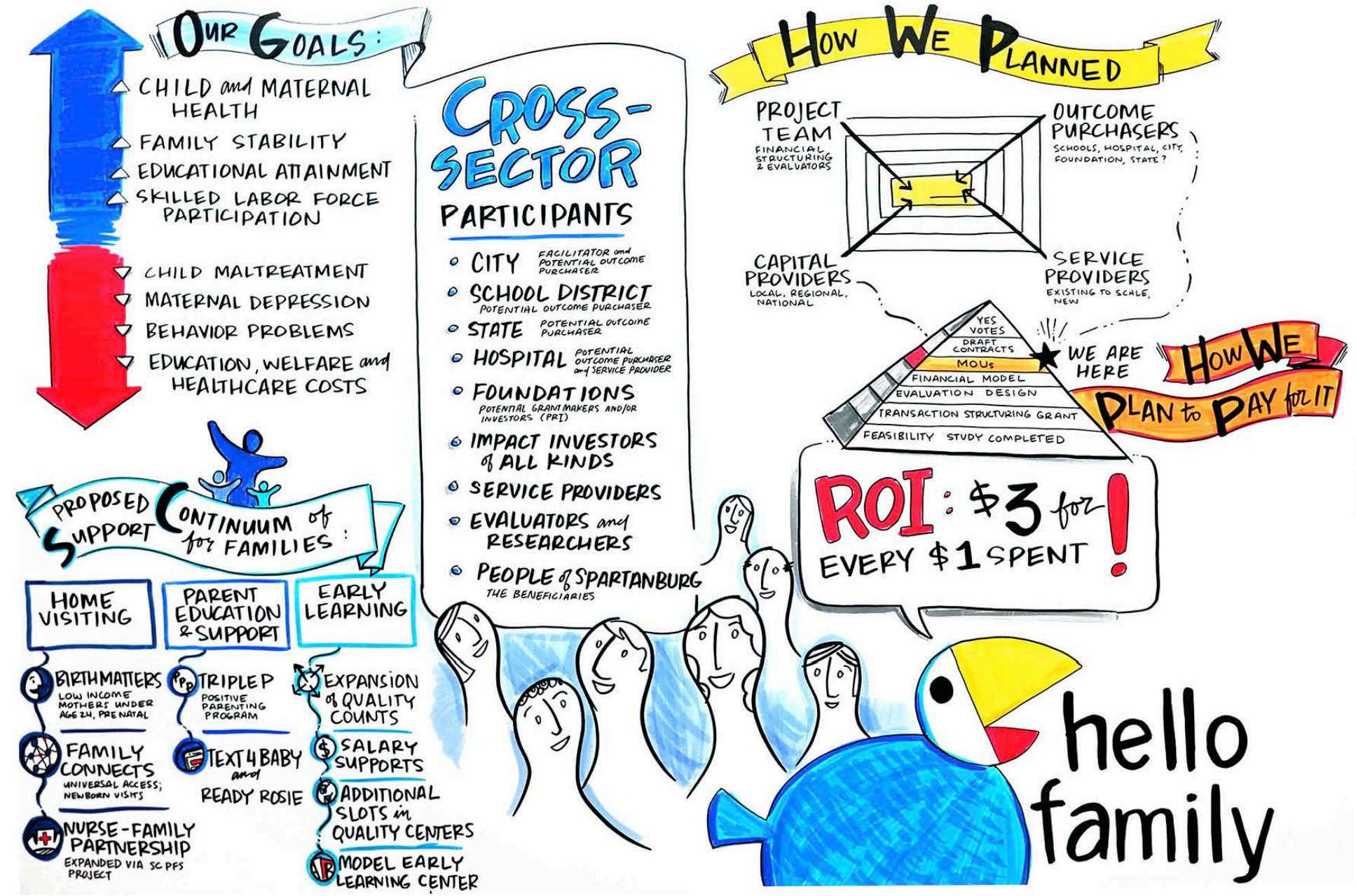
OUR GOALS:
CHILD and MATERNAL HEALTH
FAMILY STABILITY
EDUCATIONAL ATTAINMENT
SKILLED LABOR FORCE PARTICIPATION
CHILD MALTREATMENT
MATERNAL DEPRESSION
BEHAVIOR PROBLEMS
EDUCATION, WELFARE and HEALTHCARE COSTS
CROSS-SECTOR PARTICIPANTS
CITY FACILITATOR and POTENTIAL OUTCOME PURCHASER
SCHOOL DISTRICT POTENTIAL OUTCOME PURCHASER
STATE POTENTIAL OUTCOME PURCHASER
HOSPITAL POTENTIAL OUTCOME PURCHASER and SERVICE PROVIDER
FOUNDATIONS POTENTIAL GRANTMAKERS AND/OR INVESTORS (PRI)
IMPACT INVESTORS of ALL KINDS
SERVICE PROVIDERS
EVALUATORS and RESEARCHERS
PEOPLE of SPARTANBURG THE BENEFICIARIES
HOW WE PLANNED
PROJECT TEAM FINANCIAL STRUCTURING & EVALUATORS
OUTCOME PURCHASERS SCHOOLS, HOSPITAL, CITY, FOUNDATION, STATE?
CAPITAL PROVIDERS LOCAL, REGIONAL, NATIONAL
SERVICE PROVIDERS EXISTING TO SCALE, NEW
YES VOTES
DRAFT CONTRACTS
MOUs
FINANCIAL MODEL
EVALUATION DESIGN
TRANSACTION STRUCTURING GRANT
FEASIBILITY STUDY COMPLETED
WE ARE HERE
HOW WE PLAN to PAY for IT
ROI: $3 for EVERY $1 SPENT!
PROPOSED CONTINUUM of SUPPORT for FAMILIES:
HOME VISITING
PARENT EDUCATION & SUPPORT
EARLY LEARNING
BIRTHMATTERS LOW INCOME MOTHERS UNDER AGE 24, PRENATAL
FAMILY CONNECTS UNIVERSAL ACCESS; NEWBORN VISITS
NURSE-FAMILY PARTNERSHIP EXPANDED VIA SC PFS PROJECT
TRIPLE P POSITIVE PARENTING PROGRAM
TEXT4BABY and READY ROSIE
EXPANSION of QUALITY COUNTS
SALARY SUPPORTS
ADDITIONAL SLOTS in QUALITY CENTERS
MODEL EARLY LEARNING CENTER
hello family

Transaction Structuring

Presented by:

Deirdre Flynn,
Associate Director
Pay for Success

June 20, 2018

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Nonprofit Finance Fund: Where Money Meets Mission

NFF envisions a world where capital and expertise come together to create a more just and vibrant society. **We unlock the potential of mission-driven organizations through:**

- **Tailored investments**
- **Strategic advice**
- **Accessible insights**

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Nonprofit Finance Fund's Role in Pay for Success (PFS)

NFF has contributed to the growth of the Pay for Success field by:

- Supporting stakeholders education and exploration of PFS and outcomes based funding *(www.investinresults.org and www.payforsuccess.org)*
- Encouraging thoughtful discussion about opportunities and challenges of PFS and outcomes based funding *(over 100 events nationally)*
- Managing project structuring initiatives *(CA and SIF PFS Initiatives)*
- Accelerating providers' capacity to thrive in an outcomes-based environment *(Provider Readiness Boot Camps)*
- Investing in four PFS projects and sharing insights from the lender's perspective

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Characteristics of Successful Pay for Success Initiatives*

- **Social needs** that are unmet, high-priority and large-scale
- **Target populations** that are well-defined and can be measured separately
- **Preventive interventions** that are highly likely to achieve targeted impact goals
- **Proven service providers** that are prepared to scale with quality
- **Effective programs** that can demonstrate fiscal savings, efficiencies or sufficient societal benefit for government/payors
- **Safeguards** to protect the well-being of populations served
- **Government leadership** at state and local levels
- **Administrative data and systems** that are credible and readily available in a cost effective means

* *Characteristics adapted from* Third Sector Capital Partners

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