SUBJECT:
211 LA County Performance-Based Contract

RECOMMENDATION:
Approve a new 18-month performance-based contract with 211 LA County in the amount of $1,746,183, which includes a $22,000 rollover from the prior agreement.

BACKGROUND:
The First 5 LA Board Motion approved in June 2010, a 6-month extension of the prior agreement with 211 LA County in order to allow the parties to develop a performance-based contract. Altmayer Consulting, Inc. worked with First 5 LA and 211 LA County to develop an agreement that focuses on the achievement of key performance outcomes and milestones and a payment structure that reflects the performance targets.

In June of 2005, 211 LA County assumed control of the First 5 LA Parent Helpline with the goal of providing services for expectant parents and parents of children aged 0-5. Services included information and referrals, health insurance enrollments, social work and transfer of calls to specific services provided by outside agencies. These services were provided to any caller dialing the 1-888-FIRST5LA line or dialing 211 and selecting a prompt requesting service for expectant mothers or children 0-5. Hours of operation for the services were set at 12 hours per day, five days a week. The contract specified 211 LA County staffing levels for their Community Resource Advisors (CRA), perform specified numbers of health insurance enrollments and conduct a defined number of Quality Assurance evaluations monthly. These staffing levels and evaluations were expressly predicated on a call volume of 5,000 per month or 60,000 per year.

Over the past few years, call volumes for First 5 LA calls have not reached the levels originally contemplated. In FY09/10, the total number of calls was 38,369, approximately 3,200 calls per month. This represents a 36% decrease in call volume over what was anticipated in prior contracts. In addition, expected volume was down for those calling to utilize health care enrollments and the parenting support specialist designed to provide tailored social work services.

DISCUSSION:
In an effort to provide greater operating flexibility for 211 LA County and streamline administrative and reporting requirements. Altmayer Consulting worked with First 5 LA and 211 LA County to develop performance-based agreement for information and referral services. The proposed agreement moves away from mandated levels of staffing and services to an approach that gives both First 5 LA and 211 LA County greater flexibility in responding to changing service demands. Additionally, the proposed new agreement significantly reduces the data collection and reporting requirements for 211. The data collection requirements mirror those of the County of Los Angeles, reducing unique “First 5 LA” requirements on 211 staff and operations.

The proposed agreement provides for the following key definitions and outcomes:

**Target Population:** Pregnant women and parents/primary caregivers of children 0-5 who are seeking information regarding Targeted Services. Specifically, the Target Population are those individuals whose initial/primary service problem is linked to one or more of First 5 LA’s four priority outcomes.

**Outcome 1:** The Target Population receives timely and efficient responses and referral information to their inquirers and concerning their child’s health and development.
Outcome 2: The Target Population receives accurate, knowledgeable information in response to their inquiries concerning a pregnant woman or their child’s health and development.

Outcome 3: 211 LA County provides First 5 LA accurate demographic data concerning the Target Population.

The proposed agreement defines a series of performance measures and milestones to evaluate the achievement of each outcome. In addition, the proposed establishes performance targets or, in some circumstances, establishes a timeframe in which performance targets will be developed based on an evaluation of the baseline of services being provided. To provide further clarification, attached to this Agenda Item is an Outcome Matrix that defines the outcomes, performance measures and targets.

In addition to altering the nature of the how the contract is implemented, the agreement also narrows the overall scope of services being provided. Recognizing that that demand did not achieve expected levels of participation, the new agreement will no longer encompass telephonic health care enrollments and providing social work services through the use of a Parent Support Specialist. The proposed agreement would also eliminate 211 LA County from servicing the 1-888-FIRST5LA line which will be manned in the future by First 5 LA directly to allow for more tailored services. The volume of calls on this line had fallen as low as 325 calls a month and staff is exploring options on how this line can be better utilized in the future.

In order to transition to a new scope of services, both First 5 LA and 211 LA County agreed that a 3-month transition period would be required to adjust staffing, provided necessary training and allow for a revised operational approach. As such, the agreement sets forth a tiered approach to the payment structure. First, approximately $22,000 in unspent funds from the prior contractual period would be rolled over to the new contract to provide training to 211 LA County staff on the new operating model. Second, the first 3 months of the agreement would be funded at existing levels of funding to facilitate the transition. And third, the final 15 months of the agreement would be based on a new funding model reflecting the revised scope of services and outcome framework.

The new agreement is proposed to be retroactively effective January 1, 2011. Based on Board direction, staff will work to execute the contract consistent with the terms and conditions outlined in this report.
# 211 Performance-Based Contract

## Outcome Matrix

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<th>Outcome Statement</th>
<th>Outcome Measures</th>
<th>Outcome Targets</th>
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| **Target Population:** Pregnant women and parents/primary caregivers of children 0-5 who are seeking information regarding Targeted Services. Specifically, the Target Population are those individuals whose initial/primary service problem is linked to one or more of First 5 LA's four priority outcomes. | **Outcome 1:** The Target Population receives timely and efficient responses and referral information to their inquirers and concerning their child's health and development. | **Targets TBD prior to July 1, 2011.**  
**Budget Targets (Beginning July 1, 2011):**  
- Administrative Expenses are not greater than $210,000 for FY11/12  
- Direct Program Costs must be no lower than 45% of actual costs |
|                                                                                  | • Number of calls where the primary purpose of the call serves the Target Population (monthly)  
• Number of Target Population served (monthly)  
• Number of calls by category of referral (monthly)  
• Average time to answer (monthly)  
• Abandonment Rate (monthly)  
• Average handle time (monthly)  
• Expenses by Budget Category (monthly) |                                                                                  |
| **Outcome 2:** The Target Population receives accurate, knowledgeable information in response to their inquiries concerning a pregnant woman or their child's health and development. | • % of calls where the primary purpose of the call serves the Target Population that receive a QA evaluation (quarterly)  
• % of QA evaluations resulting in 90% performance expectation or higher (quarterly) | **Targets TBD prior to July 1, 2011** |
|                                                                                  |                                                                                  |                                                                                  |
| **Outcome 3:** 211 LA County provides First 5 LA accurate demographic data concerning the Target Population. | • For each call, 211 shall collect and maintain all of the demographic information collected by the County and the following information about each call:  
  - Number of children 0-5 directly served by call  
  - Number of pregnant women directly served by call | **100%** |

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For Office Use

Board Action Taken:

- Approved: [ ] Yes  
- Approved: [ ] No  
- [ ] Further Discussion

Referred to Committee/Work Group: __________________________  