

**White House Drug Policy Director, Governor Malloy and Department of Children and Families
Commissioner Katz Launch New Pay for Success Initiative**

***Innovative Project Will Boost Treatment Services for Parents Struggling with Substance Use
Disorders, Promote Family Stability in Connecticut***

Hartford, CT – White House National Drug Control Policy Director Michael Botticelli, Administration on Children, Youth and Families Commissioner Rafael López, Connecticut Governor Dannel Malloy, Connecticut Department of Children and Families (DCF) Commissioner Joette Katz and other federal and local officials announced an innovative new strategy to be launched in Connecticut to better serve hundreds of families struggling with the effects of substance use.

The Connecticut Family Stability Pay for Success project will utilize Pay for Success—an innovative public-private partnership—to drive government resources toward effective social services via an outcomes-based contract. The project expands a tested, intensive, in-home program to families involved with DCF who struggle with substance use, while linking performance to outcomes.

The Pay for Success project will support new treatment teams delivering Family-Based Recovery (FBR) to families in need. Each treatment team will regularly visit a client's home several times per week to promote positive parent-child interactions, increase parental awareness and understanding of child development, and help parents on their path to substance use recovery. The new project is designed to help ensure family stability and keep children with their parents – a policy priority for Governor Malloy and DCF Commissioner Katz.

FBR teams, comprised of two clinicians and one family support worker, will visit households three times per week for the first six months of the initiative, after which programming would be tailored to the needs of individual families. Connecticut currently runs a similar initiative for families with children aged three years or younger, and research conducted by the University of Connecticut and Yale University indicates that this type of programming results in fewer children removed from their homes, less parent stress, and decreased levels of substance use.

Now, with a new infusion of dollars and a new financing mechanism, the program will be scaled-up to serve households with children aged six years or younger, with approximately 500 new families throughout Connecticut benefitting over the next four and a half years. The expanded program will create 6 new family recovery teams and will reach new areas, including Waterbury, Danbury, Torrington, Norwich, the Middletown region, and New Haven. The project will be carried out by the State and DCF, in conjunction with partners including Family-Based Recovery at the Yale Child Study Center, Social Finance, University of Connecticut Health Center, the Harvard Kennedy School Government Performance Lab, and Jones Day.

This project is one of fewer than a dozen Pay for Success initiatives nationwide. Pay for Success projects combine nonprofit expertise, private funding and rigorous evaluation to transform how government leaders respond to chronic social problems. Independent evaluators measure the effects of a program based on specific, predetermined metrics that benefit both individuals and society and generate value for taxpayers.

The new Family Stability Project will help build on DCF's record of a 16 percent reduction in children in care and a 63 percent reduction in the use of congregate care in just the last five years.

"President Obama has made it clear that both the public and private sectors have roles to play in addressing substance use disorders, and that's why innovative approaches like Pay for Success have the potential to create real change," said Michael Botticelli, Director of National Drug Control Policy.

"We in Connecticut are continuing to innovate, with new funding mechanisms to tackle complex issues. The world is changing, and the way we approach funding critical services must change with it. It's critical that we focus on outcomes — and Pay for Success financing assures that we only fund programs that work," Governor Malloy said. "This is about providing effective treatment services early — it's a strategic approach in order to keep children with their families. This is the right thing for Connecticut children and families and the right thing for Connecticut taxpayers. I would like to thank Commissioner Katz for her work on this."

"Nationally, we have seen a 2.9% increase in the number of children coming into foster care from 2013 - 2014. Many factors contribute to children being at risk of child maltreatment including caregiver challenges with substance use disorders, domestic violence, and mental illness. The percentage of children entering care with parent drug abuse reported as a reason for removal increased by 7.6% over the past five years (2009-2014)," said Commissioner López. "Children should grow up in families where they are safe. This program is especially promising because children remain with their families while their parents receive the treatment they need to parent and provide for their children safely."

"By strengthening the parent-child bond and using that strong motivation to successfully engage the parents in substance abuse treatment and achieve recovery, this project will further reduce the number of children who must be placed into state care," Commissioner Katz said. "This is a proven effective treatment model, and this Pay for Success financing will benefit many children and families as well as the state overall."

"At both the state and local levels, we're facing the tough reality that we can't afford to ignore issues like the effect of substance abuse on child welfare, yet public resources are stretched thin," said Hartford Mayor Luke Bronin. "The Pay for Success model that Connecticut is piloting in partnership with the Obama administration brings private resources to the table to support smart, cost-effective investments in family and child welfare that will make our communities stronger and safer, and save money in the long run."

"Pay for Success is driving measurably better social outcomes by directing government resources to more effective programs," said David Wilkinson, Director of the White House Office of Social Innovation. "We applaud Connecticut's leadership in deploying this innovative new approach to scale-up an evidence-based program that helps families stay together."

"Pay for Success directs resources toward effective programs, such as Family-Based Recovery, that support some of our most vulnerable citizens," said Tracy Palandjian, Co-Founder and CEO of Social Finance. "This project is a great example of how Pay for Success taps private capital to advance the public good, and brings together diverse stakeholders to measurably improve lives."

Working with Connecticut DCF and Family-Based Recovery Services, nonprofit intermediary Social Finance led the design and negotiation of the Connecticut Pay for Success project. Social Finance will also oversee performance management once services launch.

A fact sheet on the project can be found [here](#) and answers to frequently asked questions can be found [here](#).