

OUTCOMES RATE CARD

Outcomes rate card: a list of pre-determined outcomes government wants to achieve to advance its policy priorities, and the prices it is willing to pay for each outcome achievement.

Comparing Outcomes Focused Tools

	Traditional SIB/PFS	Outcomes Rate Card	Performance Based Contract
Outcomes Based Contracting	●	●	●
Government Predetermined Outcomes & Prices	○	●	●
Ability to Contract with Multiple Providers	●	●	●
Financed by Outside Investor Capital	●	●	○
Potential to Reach Population Scale	●	●	●
Impacts Measured Against a Control Group	●	●	○

● Often ● Sometimes ○ Rarely

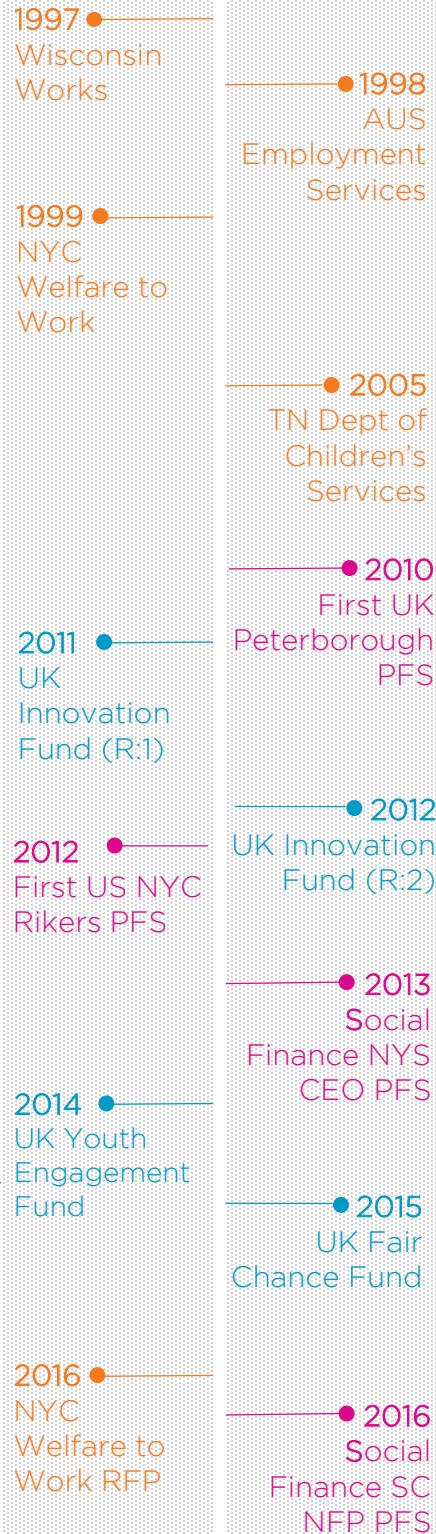
The potential of Outcomes Rate Card Projects

The Outcomes Rate Card is an tool to launch multi-provider procurements with the ability to innovate the US PFS market by standardizing processes, expediting development timelines and significantly increase the number of PFS projects launched.

For example: from a single outcomes rate card, UK Innovation Fund:

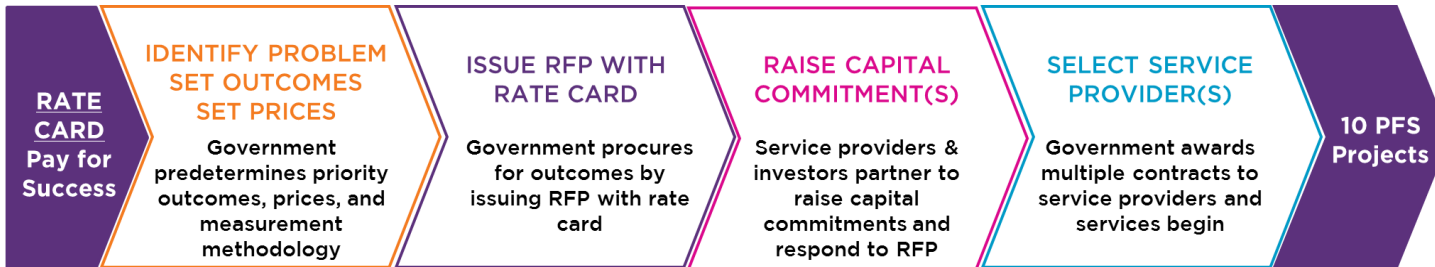
- Served over 17,000 youths at risk of becoming NEET, not in education, employment, or training, between the ages of 14-24yrs
- Launched two separate rounds of open competition for in Sumer 2011 & Spring 2012
- Deployed roughly £30 million of capital
- Prompted over 130 interested service applicants
- Finalized 10 contracts with 6 different providers across the UK

History of Outcomes Based Projects



The Rate Card Development Process Differs from Traditional PFS

Government selects outcomes, sets prices, and selects an evaluation/measurement methodology at the onset of PFS deal development. As a result, a single outcomes rate card can drive multiple Pay-for-Success projects with multiple service providers.



Examples of rate card projects in the UK

Youth Engagement Fund

Launched 2014, the £16.5m Youth Engagement Fund (YEF) builds on the existing DWP Innovation Fund to pay for positive education and employment outcomes achieved by projects that support 8,000 disadvantaged young people between the ages of 14 and 17 across 100 schools in England. It aims to find new ways to address the challenges faced by disadvantaged young people.

39 bids were submitted and 4 were selected.

Fair Chance Fund

Launched January 2015, the Fair Chance Fund (FCF) is designed to help 2,500 of the most vulnerable young people in society by assisting them into accommodation and into education and training or sustained employment.

The £15m fund represents a joint effort by the Department of Communities and Local Government as well as the Cabinet Office. Over 150 organization submitted bids and ultimate 7 were selected.

Illustrative Example of an Outcomes Rate Card

Outcome Per participant between the ages of 14-24	Maximum Outcome Price
Improved attitude / behavior at school	\$500
Improved attendance at school	\$1,000
Completed Level 1 Certification	\$800
Completed Level 2 Certification	\$1,300
Entry into First Employment	\$2,000
Entry into First Employment (for high-risk of reoffending population)	\$3,000
Employment Retention (12 months)	\$2,500