# APHSA

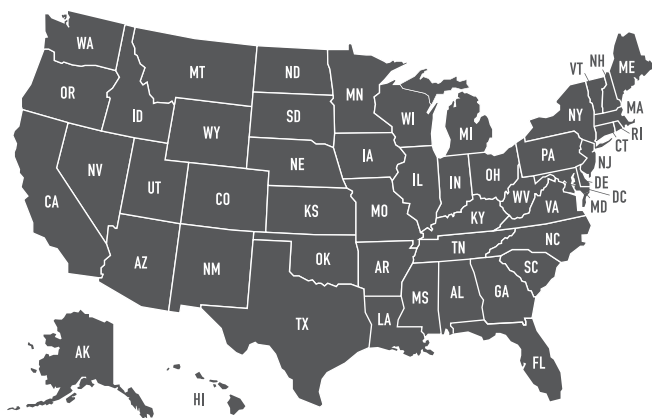### American Public Human Services Association

## Creating a Modern and Responsive Health and Human Services System

A Report to Federal Policymakers on the Evolution and Transformation of the Nation's HHS System: Guiding Principles, Policy Priorities, and Helpful Tools

NOVEMBER 2016

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# Creating a Modern and Responsive Health and Human Services System

## EXECUTIVE SUMMARY

Health and human serving system leaders are discarding the old ways of doing business in favor of new approaches that are innovative, efficient, effective, and responsive to the needs and demands of a dynamic and rapidly changing society. We are rejecting one-size fits all programming in favor of outcome-focused services informed by population-based data, whole family approaches, and advances in brain and behavioral sciences. We are shifting from a reactive and crisis-oriented services delivery model to one that focuses "upstream" and better enables all of us to live to our full potential and to more effectively identify and address root causes when we do encounter roadblocks along the way.

As health and human services (H/HS) leaders,[1] we share a core belief that all of us should have the opportunity to live healthy lives and be well regardless of where we live, what are histories are, or what our life experiences have been. The nation's H/HS system is a cornerstone to building a strong, dynamic, and healthy nation. In coordination with other "human serving" systems – including education, employment, and justice – we can provide all Americans with the opportunities and tools to live well and build a sustainable future for ourselves and for our families.

As leaders, we also recognize that to achieve this desired state, we must evolve our H/HS system from a traditional "regulative model" rooted in regulatory compliance and programmatic outputs, to a "generative approach" that works seamlessly across sectors and engages whole communities in addressing the multi-dimensional socioeconomic issues that its families face. In this paper, we will introduce you to the multi-year efforts of H/HS

leaders around the country to drive system change. We will share our guiding principles, captured in our members' *Pathways* initiative, and introduce you to the Human Services Value Curve, a framework and tool by which H/HS agencies are charting progress, catalyzing community resources and partnerships, and focusing efforts on outcomes.

Our belief is that the time is ripe for significant leaps forward in creating a modern, nimble H/HS system that leads to stronger, healthier families and communities. We believe the new Federal Administration and Congress must be partners in this effort and can pull key policy and fiscal levers to accelerate the change. As national policymakers, you are uniquely positioned to play a pivotal role in promoting innovation at all levels of government; further improving the interoperability of systems and the use of technology; fostering economic advancement through employment; promoting the well-being of children and parents together; and providing critical bridge supports across the life span.

As explained in more detail in this paper, and in a number of our prior publications, health and human services agencies are already leveraging a number of current opportunities, including alternative funding models, breakthrough technologies, and path-breaking partnerships to find new solutions to old problems. Passage of the Workforce Innovation and Opportunity Act in 2014 and clarifying regulations in June of 2016 present an extraordinary opportunity by bringing six different employment programs within numerous agencies into harmony, and encouraging further alignment of work-related services with Temporary Assistance for Needy Families (TANF) and low-income supports. Similarly, systems that deliver

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program benefits are becoming more integrated due to the availability of federal matching funds that help to align many elements of IT systems for Medicaid, TANF, and the Supplemental Nutrition Assistance Program (SNAP). New data sharing arrangements with the Social Security Administration are on the horizon. H/HS leaders are also focusing on person- and family-centered services and public-private partnerships that are bridging the gaps between government and other sectors so that common resources and strengths can be leveraged on behalf of all Americans.

H/HS leaders know, however, that system transformation is not simply about aligning service delivery, integrating data systems, leveraging technologies, or applying family-centered approaches; it is ultimately about shaping a new ecosystem across sectors and systems that create efficiencies and lead to better outcomes. To drive these larger systemic changes, we believe we must focus on three major outcome-areas: (1) child and family well-being, (2) employment and economic well-being, and (3) improved population health. This paper explains why each of those outcome areas is key to generating a modern and responsive H/HS system that is not only efficient and cost effective but leads to improved well-being for all Americans. In addition to this paper, in a series of jointly- (and to be-) published policy briefs, we provide more detailed recommendations in support of these modernization efforts. As an immediate takeaway, our hope is that national policymakers will better understand the opportunities before us, invite H/HS leaders in our membership network to share their on-the-ground experiences, and join with us on this *Pathways* journey by enabling the policy and fiscal levers that can accelerate our path forward.
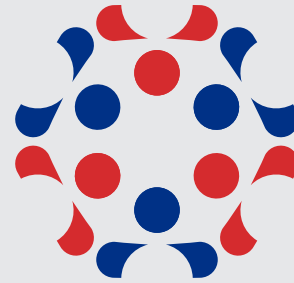
# Creating a Modern and Responsive Health and Human Services System

## OVERVIEW – THE *PATHWAYS* INITIATIVE

For the past several years, the nation's public H/HS system has engaged in an effort to steadily move toward a modern, outcome-based, client-centered system that is designed to strengthen families, create opportunities for sustained economic independence, and increase the overall health and well-being of all Americans. Developed by H/HS leaders across the country in 2011, *Pathways: The Opportunities Ahead for Human Services,*[2] has become the roadmap for a reimagined health and human services system. Through a clearly articulated desired future state and a set of guiding principles, *Pathways* now encompasses a series of policy positions, practical guidance, and examples of innovative solutions to chart a meaningful course and drive system transformation. Utilizing a range of innovative strategies drawn from the on-the-ground experience of families, science, business, academia, and philanthropy, H/HS leaders are transforming the nation's public H/HS system from one that relies on outdated practices and archaic business models to one that is based on evidence-informed practice and is more responsive to the individual needs of families and communities. New methods for engaging and empowering families, advances in information technology, improved collaboration across services and sectors, and program alignment have fostered unprecedented efficiencies and have enabled public and private H/HS organizations to knit multiple resources together to create services that are more outcome-oriented and client-centric.

Embedded in this transformation process is the drive to move up what has become known as the Human Services Value Curve (Value Curve).[3] The Value Curve is a lens through which we collectively envision the transformation of health and human services and

### PATHWAYS GUIDEPOSTS

*We envision a modern, nimble H/HS system that is focused on:*

- Person- and family-centered services designed to engage in meaningful ways with families up front and deliver the right services, at the right time, and for the right duration

- Modern, efficient business solutions and customer connections that draw from the best innovations in government and the private sector

- Data-reliant and evidence-informed programs that can achieve better, faster results, provide more targeted interventions, and reduce costs

- Application of decades of research in brain science and understanding of executive functioning to improve the ways we engage and empower families

- Accountability for sustainable outcomes, return on taxpayer investment, and impacts that matter rather than for compliance with processes and outputs

- Generative partnerships that bridge traditional divisions both within government agencies and across the public-private sectors, and that leverage common resources and strengths

- Widespread testing to spark innovations and prompt implementation of what works.

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2  APHSA, The Pathways Initiative, http://www.aphsa.org/content/APHSA/en/pathways.html
3  The Human Services Value Curve was developed by Antonio Oftelie, PhD, Fellow, Technology and Entrepreneurship Center at Harvard and Executive Director, Leadership for a Networked World, Harvard School of Engineering and Applied Sciences, Cambridge, Mass.

provides a shared path by which H/HS professionals can lead system change to achieve improved outcomes for families and communities. It, along with a growing set of tools, provides a well-marked roadmap for improving outcomes and the value and legitimacy of human services through the lens of four different business models: regulative, collaborative, integrative, and generative.[4]

Now widely adopted by jurisdictions across the nation (and internationally), the Value Curve is a guiding framework in the field for understanding the enablers and barriers to designing a generative system where solutions are developed with and through families and communities. The four stages of the Value Curve are like well-marked signs along the way to help agencies regularly assess progress
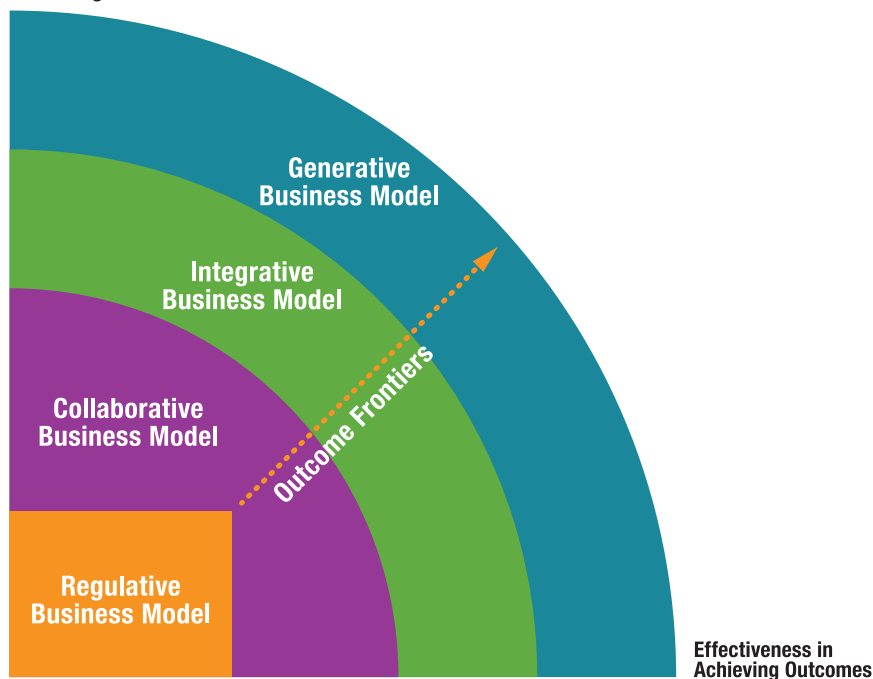
and make mid-course adjustments. Ultimately, Value Curve progression is about realizing the full potential of people and systems so that all of us can live well.

This transformation takes time and is an iterative, multi-faceted process. It has required public H/HS leaders to ensure a strong foundation (through the regulative and collaborative stages) by focusing on the alignment of programs, the modernization of service delivery, the development of the workforce, and the effective use of knowledge management techniques.

Transformation has also required that federal, state, and local governments work more seamlessly together and that the federal government provide flexible fiscal and policy levers that enable states and localities to innovate and tailor services based on

## HUMAN SERVICES VALUE CURVE



**Efficiency in Achieving Outcomes**

Generative Business Model

Integrative Business Model

Collaborative Business Model

Regulative Business Model

Outcome Frontiers

**Effectiveness in Achieving Outcomes**

**GENERATIVE**

Using a population-based health and well-being approach to find solutions that get at root causes and are implements collectively with families and communities.

**INTEGRATIVE**

Working across sectors to address problems at their root through data analytics and a customized service array.

**COLLABORATIVE**

Working towards a single-door approach to link services across programs and agencies, easing access and reducing duplication.

**REGULATIVE**

Accurate and timely administration of programs to assure compliance and integrity; focus on efficiency and accountability for proper use of funds

© Leadership for a Networked World. 2011. Antonio M. Oftelie.
The Pursuit of Outcomes: Leadership Lessons and Insights on Transforming Human Services:
A Report from the 2011 Human Services Summit on the Campus of Harvard University.

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4  The Toolkit for the Human Services Value Curve may be found at: http://www.aphsa.org/content/dam/aphsa/pdfs/Resources/Publications/TOOLKIT_Moving%20through%20the%20Value%20Curve%20Stages_.pdf

the specific needs within their communities. H/HS leaders at all levels must be in tune to the converging opportunities that can accelerate this change; we refer to these as the "six agents of change": leveraging integrated policy, maximizing modern platforms, creating space for innovation, investing in outcomes, applying science, and partnering for impact (more on this below).

Before moving forward with a discussion of the specific ways this transformation has taken place and can be accelerated, we provide some context on what the H/HS system entails. Following this brief description, this paper will focus on the levers that H/HS leaders are pulling to achieve change and our shared policy priorities.

## CONTEXT SETTING – THE NATION'S HEALTH AND HUMAN SERVICES SYSTEM TODAY

### The Current Ecosystem

Human services is a complex system of "human serving" programs and services.[5] It appears in different combinations and configurations as you move from one state to the next, and often from community to community, which adds to the challenge in concisely defining it. We increasingly refer to the system through the broader lens of the **health and** human services system as the nation strives to strengthen the connection of what have historically been two distinct systems of care. Despite this complexity, it is helpful to recognize a common thread that runs through the system: the nation's H/HS system incorporates a wide range of services aimed at enabling all Americans, regardless of their zip code, to have the opportunity to live to their full potential.

Generally, these services help mitigate situations that all of us may weather at some time during our lifetime, especially those that may interfere with our ability to remain self-sufficient, such as losing a job, getting sick, or losing our home. During times of financial difficulty, human services provide bridge supports so that parents can continue to ensure their children have food, shelter, and quality child care. Human services provide connections to employment and to housing – keys to overall economic well-being.

Human services help assure the safety of our children through protective services and provide key supports for people with disabilities to help assure their full integration into the community.

It is the very services provided by this country's human serving network that hold so much potential for improving overall population health and well-being, especially if we can more intentionally apply whole family approaches and link them to education, housing, health care, and labor. At its core, H/HS is grounded in the social determinants of health – nutrition, affordable and safe housing, quality child care, supportive work environments, violence prevention, etc. If we can assess family strengths and risk factors up front in the community settings in which we all live, we can shift the impact of human services "upstream" and reduce reliance on government supports. As more fully explained below, the time for doing so is now.

We also know that the current system has not made the strides we believe it should. While this paper is not designed to provide a detailed analysis of the current outcomes for children and families in this nation, we all know that the statistics are not nearly what they should be for the United States. For example:

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5  Specific examples of the types of services human service agencies may provide include temporary financial assistance; employment supports; vocational rehabilitation supports; nutrition assistance; home energy assistance; early childhood education; child care; child welfare services including protective services, foster care, and adoption; youth supports (both preventative and juvenile justice); supports for people with disabilities; aging supports including abuse against the elderly; housing and homelessness supports; domestic violence prevention and intervention; and support to military families, among many others; on the health care side, in addition to traditional health care, services may include behavioral health, including mental health and substance abuse treatments; Medicaid enrollment; public health; vaccines and immunizations; and home health care.

The U.S. ranks 30th among industrialized nations for the number of children living in poverty; only Greece, Mexico, Israel, and Turkey have higher child poverty rates than the U.S.[6] According to the United States Census Bureau, 43.1 million people (13.5 percent) currently live in poverty, including 14.5 million children (20 percent) under the age of 18,[7] and almost 40 percent of American children spend at least one year living in poverty before they turn 18.[8]

42.2 million Americans live in food-insecure households, of which 13 million are children.[9] "Persistently poor children are 13 percent less likely to complete high school and 43 percent less likely to complete college than those who are poor but not persistently poor as children."[10]

As noted in the 2016 Kids Count Data Book,[11] which captures key data in this nation as to child well-being, inequities among children of color continue to persist. On nearly all of the measures that the Data Book tracks, African-American, American Indian and Latino children continue to experience negative outcomes at rates higher than the national average. For example, African-American children are twice as likely to live in high poverty neighborhoods and to live in single-parent families. American-Indian children are twice as likely to lack health insurance coverage, and Latino children were the least likely to live with a household head who has at least a high school diploma.

Adults living below the poverty line are significantly more likely to be in fair or poor health. Nearly one-quarter (23 percent) of all adults living below poverty report fair or poor health, compared with seven percent of adults whose income is four times above the federal poverty level or more reporting fair or poor health.[12]

Nearly 1 in 10 million Americans live with a serious mental illness and 1 in 5 will experience a mental illness in a given year.[13]  21.7 million people aged 12 or older needed substance abuse treatment over the past year.[14]

Adults and children living in poverty experience significant levels of homelessness. Nearly 65,000 families with over 120,000 children live in shelters or are unsheltered[15] and in the course of a year at least 253,000 school children are unsheltered or live in homeless facilities.  Another 1,107,000 have no permanent place to live.[16]

These are just a few national data points that speak to the need for modernizing and aligning H/HS systems.

## The External Landscape.

Consider just a handful of the external factors impacting the terrain that H/HS leaders must maneuver every day:

- widespread frustration and distrust in government at all levels;

- shifting demographics, including an aging population that is living (and working) longer than ever before;

- the impact on communities across the nation of pervasive mental health conditions affecting millions of Americans;

- increasing misuse of opiods resulting in more people now dying from overdosing than automobile accidents;

- the ubiquitous use of mobile and app technology;

6  Organization for Economic Co-operation and Development (2016), Poverty rate (indicator). doi: 10.1787/0fe1315d-en (Accessed on 02 November 2016)
7  United States Census Bureau, Income and Poverty in the United States: 2015, September 13, 2016. Report Number: P60-256, Bernadette D. Proctor, Jessica L. Semega, Melissa A. Kollar
8  Caroline Ratcliffe, "Child Poverty and Adult Success", Urban Institute, Washington, DC, September 2015
9  United States Census Bureau, Income and Poverty in the United States: 2015, September 13, 2016. Report Number: P60-256, Bernadette D. Proctor, Jessica L. Semega, Melissa A. Kollar
10  Caroline Ratcliffe, "Child Poverty and Adult Success", Urban Institute, Washington, DC, September 2015
11  2016 Kids Count Data Book, the Annie E. Casey Foundation, http://www.aecf.org/resources/the-2016-kids-count-data-book
12  J.S. Schiller, J. W. Lucas, and J. A. Peregoy. 2012. "Summary Health Statistics for U.S. Adults: National Health Interview Survey, 2011." Vital and Health Statistics 10 (256): Table 21. http://www.cdc.gov/nchs/data/series/sr_10/sr10_256.pdf
13  National Alliance for Mental Illness, Mental Health By the Numbers, http://www.nami.org/Learn-More/Mental-Health-By-the-Numbers
14  2015 National Survey of Drug Use and Health, https://nsduhweb.rti.org
15  U.S. Department of Housing and Urban Development. 2015 Annual Homeless Assessment Report to Congress: Part 1 - PIT Estimates of Homelessness in the U.S. November 2015. https://www.hudexchange.info/resource/4832/2015-ahar-part-1-pit-estimates-of-homelessness/
16  http://eddataexpress.ed.gov/data-elements.cfm/gid/62

- the emergence of the sharing economy (e.g., Uber and Airbnb);

- the ability to capture big data and rapidly synthesize it into bite size pieces of meaningful information.

Given this rapid pace of change, the need for a modern, nimble H/HS system is paramount. H/HS leaders believe we are at a "point of inflection" – a point at which changes in the external environment are so significant that current modes of operating achieve diminishing returns; the choice is to either change as an industry or become irrelevant.

## Leadership Matters

While policies, resources, and tools are essential, how leaders govern and prepare our agencies remains a bedrock requirement for successful transformation. The ever-changing landscape of H/HS requires leaders to be highly adaptive and to foster a culture of innovation and continuous improvement within their agencies. Today, there are numerous examples of this adaptive leadership at all levels of government and in the extended social serving network (both non-profit and private industry) that embodies the larger human serving system. Through our innovations map, we have captured many stories of innovation, practical solutions, and evidence-informed practices generated within agencies with such forward-leaning leaders.[17]

## Your Role as Federal Partners

As Federal policymakers, you play a key role in driving system transformation. The choices you make in adjusting policy and fiscal levers can be major accelerants and barrier busters for the change we all seek. Modernization of the H/HS system requires that together we identify the enablers and barriers to drive better outcomes and generate an adaptable, nimble ecosystem that can catalyze our collective efforts.

Together we can accelerate change with your leadership by:

- Removing structural obstacles to innovative funding approaches, especially those that braid and blend funding from evidence-informed programs and across related sectors;

- Promoting efforts to embed and integrate two generation approaches and the social determinants of health into prevention and early intervention strategies that help us get at root causes;

- Aligning federal funding to what we know works for children and families, with a particular focus on creating a more seamless system of services;

- Promoting use of demonstrations and waivers to spark innovation and learning;

- Recognizing the central role of work to our overall well-being and therefore supporting sustainable and career-based employment outcomes for those not connected to the world of work;

- Allowing states, and by extension, local jurisdictions and the social serving networks that deliver services on the ground to use performance rather than process-oriented measures (such as those required by the current TANF work participation rate);

- Fostering partnerships with the private, university, and philanthropic sectors that generate solutions for better population-based health and well-being and ways to break the cycle of generational poverty.

Within this framework of federal incentives and innovations is an understanding that states and localities must develop new and innovative service models that are evidence-informed and accountable to families, to our own communities, and to the nation.

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17  APHSA Innovation Center – Stories from the Field – Interactive Map

## Converging Opportunities

Over the course of the past few years, we have worked with H/HS leaders to leverage what we see as six converging opportunities for system transformation. As explained more fully below, the conditions are ripe for major advancements based on how these factors and trends are converging and what H/HS leaders are actively doing to leverage them. Taken together, these are the key catalysts for significant advancements:

*Leveraging Integrated Policy –* For too long, federal and state policies governing H/HS have remained siloed, complex, and out of sync with each other and with the realities of modern families. In recent years, there has been significant movement to reduce needless policy differences and conflicts among programs and agencies; share needed information across agencies and sectors while protecting privacy; use funding to align with real needs and priorities rather than with narrowly defined and outdated categories; and secure policy and funding options that deliver real results. These efforts must be continued and accelerated; federal agencies play a central role in ensuring that integrated policy is the new norm and not the exception.

*Maximizing Modern Platforms –* H/HS must have a sound infrastructure - particularly the technology and business processes that support our work. Outdated legacy systems and governance structures are being replaced with the latest business process reforms and tools such as apps that support modern customer access; aligned business processes that enable modern service delivery; and new workforce capabilities and incentives that respond to modern demands, ensure a diverse workforce, and develop a robust talent pipeline by attracting a new generation to the public sector.

*Creating Space for Innovation –* Modernizing and transforming H/HS will succeed only through learning what innovations can best improve service delivery, practice models, and business processes and then rapidly implementing and scaling those that work. "Innovation labs" must become widespread

throughout the H/HS system along with research and development; including the consumer's voice in driving change and using human centered design to quickly reimagine service delivery; establishing formal innovation funding offices at all levels of government; and learning from reform efforts in other countries.

*Investing in Outcomes –* Identifying, scaling, and funding what innovations work best will ensure sustained and meaningful outcomes. Tools that can facilitate this include data-driven reporting tools; transparency in reporting; predictive data analysis; "rapid cycle evaluation" that quickly adjusts and continuously improves program design; and outside "social impact financing" that underwrites positive and cost-effective changes. Data sharing, data use, and data analytics are creating a more agile, responsive, and accountable human serving system. Promptly testing new approaches to service delivery, analyzing results of those changes based on real-time data, mastering the skills of converting data into intelligence, shifting governance structures to meet this outcome-focus, and making well-informed adjustments to practice and service delivery design are all key to achieving the impacts we must have.

*Applying Science –* H/HS is increasingly applying advances in science that can shape innovative and effective approaches to the work of H/HS leaders. New developments in brain science, executive functioning, trauma-informed care, and behavioral economics are particularly important for those under the severe stress that results from low income and multiple environmental challenges. New understandings of communication tools and strategies through "framing science" are also helping to provide effective messages and to demonstrate how H/HS impacts both families and the broader society.

*Partnering for Impact –* H/HS leaders know that agencies must establish new and often non-traditional alliances to successfully transform systems. This "co-creation" of new and more effective joint initiatives is characterized by shared ownership in measuring and articulating desired impacts and by increasing dynamic and outcome-driven public-private partnerships.

***Leveraging Integrated Policy Levers***

- Use of population-based health data / Social determinants of health
- Adoption of two generation / Whole-family approaches
- A widely shared belief that employment is an engine to economic mobility
- Focused national attention on reducing youth and family violence

***Maximizing Modern Platforms***

- Application of advanced analytics to inform decision-making
- Reuse opportunities in shared platforms and open data sources
- Continued focus on interoperability and IT support for integrated H/HS systems / Data-sharing

***Creating Space for Innovation***

- Increased grant opportunities that are designed to incentivize innovation and generate solutions
- All levels of government repurposing resources to spur innovation and create a cultural environment that encourages creativity and a safe space for testing new ideas

***Investing in Outcomes***

- Increased willingness to explore alternative financing mechanisms
- Bipartisan support for pay-for-success approaches
- Incentives aimed at increasing evidence-informed and evidence-based practices
- Application of rapid cycle experimentation and other modern approaches to research that accelerates adoption of what works

***Applying Science***

- Deliberate application of brain science and executive functioning research to redesign service delivery models
- Use of motivational interviewing and trauma-informed care approaches to inform family engagement strategies
- Use of behavioral insights to design and test behavioral interventions
- Applying implementation and systems science to understand what it takes to align and integrate systems toward measurable outcomes

***Partnering for Impact***

- Greater synchronization across public and private sector efforts
- Increased effort to leverage the expertise, reach and nimbleness of the non-profit, social-serving sector as well as for-profit industry/ employers
- Application of collective impact strategies

# HEALTH AND HUMAN SERVICES POLICY PRIORITIES

## Policy Priority 1: Building Well-Being for All Children and Families

The goal is to help children and their families realize their full capacity and potential, and interact successfully within their community. We know that we are best able to do so when we are physically, socially, and emotionally safe. We also know that these conditions do not occur in a vacuum but rather depend on one's family, school, and community and the larger society in which one lives. If H/HS programs are to successfully enable children and families to realize their full capacity, we must take into consideration the environmental factors that impact (and possibly threaten) their trajectory. To do so, H/HS systems are increasingly applying two generation approaches to serving the whole family and incorporating public health approaches as part of prevention strategies.
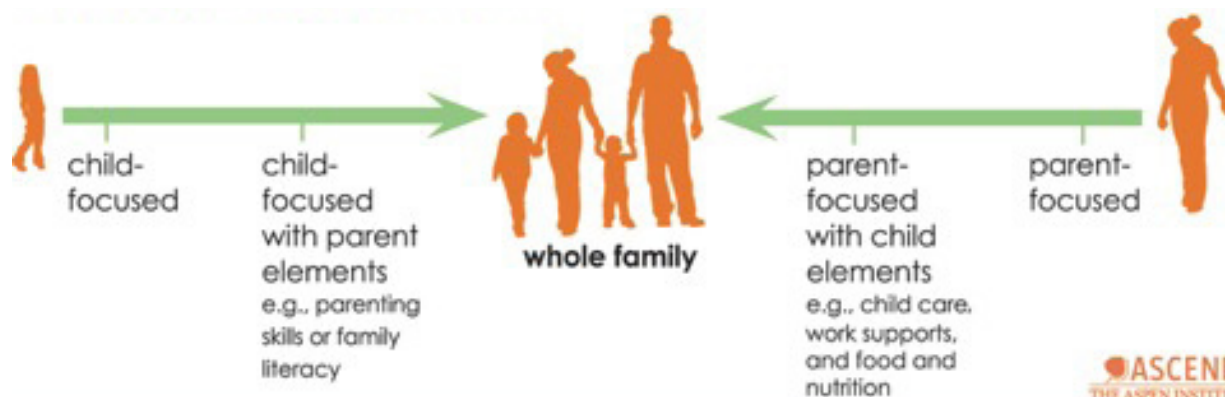
Two generation approaches meet the needs of children and parents together. This requires "knitting" traditional child focused services--quality child care, ensuring child safety, and supporting healthy adolescent development--more closely with workforce, education, health, and economic programs that serve parents. Through this whole family approach, H/HS can play a critical role in the lives of parents by supporting their placement in the workforce and helping them secure better paying jobs and the necessary bridge supports to economic well-being while simultaneously assuring that their children are healthy and well.

### STATE AND LOCAL H/HS AGENCIES ARE WORKING TO:

- Apply two generational or multi-generational approaches (see graphic below) that address the needs of children and their parents together;

- Apply advances in brain science to redesign programs and services to better promote the social and emotional well-being of children and families and enhance family functioning;

- Apply predictive analytics to identify potential challenges earlier, and to work with families to increase protective factors and reduce risk factors;

- Infuse public health approaches as prevention strategies, especially for child abuse and neglect; and

- Create healthier environments through social engagement and community supports that build health and wellness.

## THE TWO-GENERATION CONTINUUM



child-focused | child-focused with parent elements e.g., parenting skills or family literacy | whole family | parent-focused with child elements e.g., child care, work supports, and food and nutrition | parent-focused

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An effective H/HS system increases resiliency and builds protective factors to enable parents to better manage setbacks and to mitigate the effects of trauma on them and their children. In the broader context of well-being, an effective H/HS system promotes vibrant and thriving communities where businesses, school districts, neighborhood organizations, and medical facilities are well-connected and work in service of each other.

**The Public Policy Solutions We Need**

In order to accelerate this systemic change, H/HS leaders urge policymakers to:

- Align federal policy consistent with whole family approaches and incentivize states to adopt two generation approaches;

- Allow for significant expansion of demonstration efforts and local experimentation aimed at reducing disparities and inequities among various populations;

- Embed prevention strategies that include public health approaches;

- Invest in infrastructure capacities to scale up promising approaches and evidence-informed/evidence-based practices;

- Align federal funding with desired practices (e.g., child welfare) and allow the blending and braiding of funds to better leverage resources and meet the specific needs of children and their families.
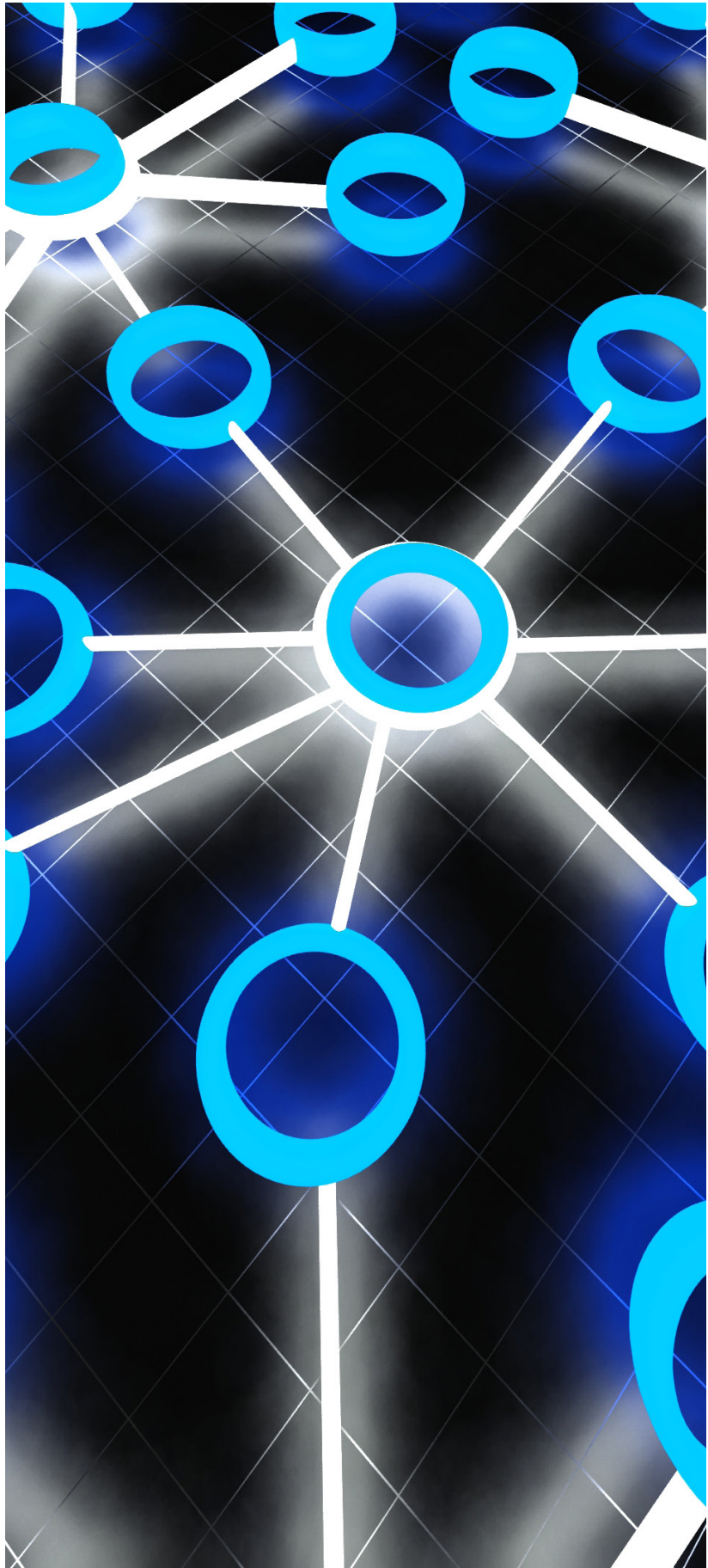
## Policy Priority 2: Achieving Gainful Employment and Economic Well-Being

If there is anything that all of us have come to agree on it is that gainful employment is central to the American experience. Meaningful and sustainable employment is the surest way to economic well-being for ourselves and our families. Having a job, enjoying the many benefits that come from work, providing for one's family, setting examples for our children, and looking forward to a secure retirement are among the top achievements we all aspire to. Moreover, gainful employment is one of our most essential building blocks for strong, healthy, and productive individuals and families. Public H/HS leaders have been at the forefront of initiatives to help make the experiences and benefits of gainful employment available to all. They are partnering with one another to:

- Advance best practices, resources, and innovative solutions that will help move low-income individuals into initial jobs that have sustainable career pathways;

- Leverage the knowledge and resources of the public, nonprofit, and private sectors toward these goals;

- Identify and support public policies that provide the opportunities, resources, and flexibility needed to strengthen individuals, families, and communities through successful engagement in the workforce.

Among the many programs that support work are the Earned Income Tax Credits (EITC), the child tax credit, nutritional assistance, child care, and child support collections. A significant opportunity in the employment arena is the integration of work-related services under TANF, SNAP, Department of Labor American Job Centers, and other programs under the Workforce Innovation and Opportunity Act (WIOA). Others include redesigned skills training offered by community colleges or through sector-based initiatives, direct job development, and placement services. Transitional and subsidized employment can provide important pathways toward success in the workplace, as can employment and training

opportunities for people with disabilities that enable their full inclusion in the workplace.

Current approaches to connecting individuals to the workforce are spread across many programs and agencies and are typically judged not by meaningful employment outcomes but instead by compliance with process mandates. H/HS agencies across the nation are implementing comprehensive approaches to strengthen individuals and families and to support their sustained progress toward greater independence through meaningful employment. And this is not being done because it is a matter of law – TANF must meet certain work requirements – but because there is clear evidence that when an individual and family are able to support themselves through gainful employment, the family and ultimately the community benefits.

Public health and human services leaders are advancing strategies and identifying partnerships that can help clients not only achieve gainful employment but move forward down a successful career path, which is vital to on-going success in the world of work.

**The Public Policy Solutions We Need**

Unfortunately, current programs and federal supports aimed at successfully moving H/HS customers into the workforce are often held back by requirements that focus too much on process compliance and too little on progress toward true self-sufficiency. Overlapping education, training, and employment preparation programs too often operate independently, do not allow for leveraging resources across sectors, and are frequently duplicative and inefficient. H/HS leaders are looking for opportunities to integrate policies, practices, and systems to better serve individuals.

Aligning the existing collection of federal programs that address workforce engagement; building on what we know works to develop workforce skills; growing individual capacity; meeting the needs of the modern workplace; reducing barriers to sustainable employment; promoting asset building; linking the

efforts of the public sector with those of the nonprofit and private sectors; and advancing other initiatives that will help build and support an environment of strength, capacity, and well-being for families and communities.

As immediate, practical steps to advance this agenda, H/HS leaders urge Congress to reauthorize the TANF program to:

- Contribute to achieving sustainable employment outcomes based on tailored services delivered at the right time and for the right duration.

- Encourage strong partnerships that leverage other sectors and resources to provide social return on investments and maximize sustainable outcomes for the community.

- Allow states to align with related sectors, programs, and policy opportunities such as those provided by the WIOA, including such innovations as common funding streams and customer databases.

- Allow significant expansion of demonstration initiatives, similar for example to those enacted in the 2014 Farm Bill for SNAP, which will test

innovations for incentivizing and supporting gainful work opportunities across multiple approaches, programs, and sectors.

- Allow states, at their option, to use performance measurements based on skill development, employment entry, and retention, rather than the current process-focused activities of the Work Participation Rate.

We urge the Federal Administration to:

- Use existing regulatory authority and administrative discretion to expand innovation demonstrations as described above (see sidebar on Locals initiative).

- Use existing authority to blend and braid funding streams to the extent possible so that multiple programs can more flexibly serve populations and situations most in need.[18]

- Support creation of a common client information base that encompasses multiple sectors and programs.[19]

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**CHARTING A NEW PATHWAY TO PROSPERITY AND WELL-BEING**

Local human service agency leaders across the country are concurrently implementing new initiatives to improve service delivery. Collectively, these leaders propose "creating a pathway for prosperity and well-being"[20] by designing, testing, evaluating, and spreading key elements of a fully integrated and effectively coordinated health and human service system that can be tailored to local organizations' maturity, resources, and priorities. These leaders stand ready to work with partners at all levels of government and across sectors to accomplish our vision that within 10 years, we can transform the health and well-being of communities across the country by shifting programming and funding upstream into prevention-oriented and consumer-driven cross-sector solutions that improve outcomes across the lifespan and significantly reduce high-cost institutional interventions within a "social determinants of health" framework.

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18  The Department of Housing and Urban Development has provided local programs with the authority to braid housing funds with human services funds so that local programs are able to provide housing and the supportive services necessary to ensure continued client success. See: http://aphsa.maps.arcgis.com/apps/MapJournal/index.html?appid=a438d6ed41ce4d0ab25d65c82e357a5f

19  States are taking advantage of current, yet time-limited, funding opportunities to modify and improve their eligibility and enrollment systems spanning health and human service programs. Many states are building and leveraging shared IT services, like master client indexes, to have common identifiers for people and to facilitate increased care coordination across human serving programs.

20  APHSA "Locals" Charting a New Pathway to Prosperity and Well-Being http://www.aphsa.org/content/dam/aphsa/pdfs/Locals/P%26P_August16_APHSA%20Locals%20Charting%20a%20New%20Pathway%20to%20Prosperity%20and%20Well-Being.pdf

## Policy Priority 3: Health and Well-Being

For all of us, our health and well-being are key to living well and maintaining our quality of life. Where we are born, the quality of our schools, the safety of our communities, the availability of jobs, and the level of stress on our families, our colleagues, and ourselves are just some of the external factors that impact our health from a young age through adulthood. Understanding how these social determinants affect our health and well-being, and connecting them to helpful supports along the way, are key to ensuring that each of us can achieve our full potential. Simply put, one's zip code should not determine one's destiny.

### Healthy Individuals, Families, and Communities Matter

A growing body of evidence shows that improved care and service coordination across multiple sectors beyond traditional clinical health care services – doctors, hospitals, laboratories – along with timely access to critical population-based health information, including behavioral health, and leveraging existing public investments more effectively, can produce healthier and dramatically better and more sustainable outcomes for all families and communities. Human service programs already in place are uniquely positioned to provide valuable contributions to improving overall health outcomes if they are effectively linked to and integrated with the traditional health system.

Research has shown that health care alone contributes only 10 to 25 percent to improving health status over time. What we do to support good health, such as healthy eating and exercise, and the social and economic environment that is around us such as good jobs, quality child care, and a safe place to live, impact our health outcomes even more than medical care. Recent research also indicates an association between higher level of investment in social services and improved health outcomes.[21]

With this knowledge, H/HS programs across the country are leading the way on such multi-disciplinary and population-based care approaches.

### Modern Health and Human Services Systems of Care

H/HS agencies at all levels of government are building new connections to better ensure programs, data, providers and funding channels are in place to address the social determinants of health. State and local agencies are making important advancements nationally to improve their operational efficiencies and program effectiveness by using a variety of strategies to create a blueprint and benchmarks to implement these paradigm and operational shifts.

### The Benefits of Health and Human Services Collaboration

H/HS and its companion sectors are uniquely positioned to design new initiatives that can significantly support better health and stronger individuals, families, and communities. Human service resources already strategically located throughout communities across the country can play a major role in prevention to mitigate serious downstream health issues like pneumonia or diabetes. Examples include providing energy assistance to families to keep their heat on throughout the winter or providing nutrition assistance that encourages healthy food habits – relatively "light-touch" supports that reduce the need for costly acute and longer-term medical interventions that would otherwise be needed.

Mushrooming health care costs, the need to more effectively leverage existing but not currently well-coordinated public investments, and a rapidly growing appreciation for the value that locally based human service assets can bring to a collaborative effort to support population health by addressing the social determinants of health, are key drivers in addressing this topic. The tangible results of these efforts will

21  Elizabeth H. Bradley, et.al, Variation In Health Outcomes: The Role Of Spending On Social Services, Public Health, And Health Care, 2000–09, Yale University School of Public Health, March 2011, http://ghli.yale.edu/sites/default/files/imce/bmjqs.2010.048363.full_.pdf and Jennifer Rubin, et.al.,  "Are better health outcomes related to social expenditure? A cross-national empirical analysis of social expenditure and population health measures," Rand Corporation, 2016 http://www.rand.org/content/dam/rand/pubs/research_reports/RR1200/RR1252/RAND_RR1252.pdf

be improved outcomes, lower costs, and a healthier society as a whole.

**The Public Policy Solutions We Need**

In order to accelerate this system-wide change, we need the Administration and Congress to better enable us to:

- Link with the health care system and support the evolving delivery of H/HS from a public health approach enterprise;[22]

- Further interoperability and integrated service delivery across H/HS;[23]

- Build partnerships across service delivery providers supporting health and well-being outcomes;

- Share best practices so that H/HS leaders can strategically position their organizations for system improvement;[24]

- Influence federal policy to enable connected service design and delivery across public and private health and human systems, particularly removal of unnecessary barriers to greater funding flexibility and fragmented structures and outcome requirements among related programs;[25] and

- Be part of an effective and coherent voice on how human service agencies can continue to contribute their experiences, leadership, staff, and assets in the field to address and overcome the challenges associated with the social determinants of health.[26]

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22  APHSA Innovation Center – Stories from the Field – Interactive Map
23  CA Department of Social Services, Department of Health Care Services and Counties Global Memorandum of Understanding (MOU) for Child Welfare Services:  This Global Memorandum of Understanding (MOU) between the California Department of Social Services (CDSS), the California Department of Health Care Services (DHCS), California Counties and Title IV-E Tribes sets forth the terms and conditions for the exchange of confidential data, collected and retained by CDSS and DHCS, for the purpose of matching the confidential data, referred to as 'matched data,' to administer and implement the applicable federal and/or state health and public social service programs. The Global MOU is available in full at http://www.cdss.ca.gov/pdf/GlobalDataSharingAgreement.pdf.
24  APHSA Innovation Center – Stories from the Field – Interactive Map
25  APHSA Innovation Center – Stories from the Field – Interactive Map
26  APHSA Innovation Center – Stories from the Field – Interactive Map

## Policy Priority 4: The Tools We Need

### *The Ability to Innovate through Federally Supported Demonstrations*

The H/HS system needs new and innovative policy, funding, and accountability structures that align with modern day realities, realize the potential of technological and scientific advances, especially in neuroscience and behavioral economics, apply modern research methodologies that show results faster, and optimize limited resources.

*Recent Demonstrations That Test How to Achieve Better Outcomes.* Among the program innovations that public H/HS leaders are embracing are:

- Child welfare waivers that have provided states and localities with the flexibility they need to use foster care funds for preventative and early intervention services that are designed to keep foster care-eligible children with their parents or other kin.[27]

- Performance Partnership Pilots (P3) that have allowed state and local H/HS programs to pool a portion of their existing Departments of Labor, Health and Human Services, Education, Housing and Urban Development and Justice, and the Corporation for National and Community Service discretionary funds for innovative programs with measurable outcomes that promote better education, employment, and other outcomes for disconnected youth.[28]

- A $200 million Department of Agriculture program that has allowed for the development, implementation, and evaluation of up to ten pilot projects designed to reduce dependency and increase work participation rates under SNAP.[29]

- Two Office of Management and Budget (OMB) established programs that have modernized the system for moving children across state lines for adoption and foster care in six states (the National Electronic Interstate Compact Enterprise (NEICE)) and have enabled states to come together to build a common SNAP recipients data base (National Accuracy Clearinghouse (NAC)) are examples of the way that government can ensure quicker service and program integrity for households that move between states.[30]

These types of demonstrations need to be continued and the funding and flexible authority needed to make them possible must be continued and expanded. For more information, see the article, APHSA *"Locals" Charting a New Pathway to Prosperity and Well-Being* at www.aphsa.org/content/dam/aphsa/pdfs/Locals/P%26P_August16_APHSA%20Locals%20Charting%20a%20New%20Pathway%20to%20Prosperity%20and%20Well-Being.pdf

### *Leveraging Innovations in Funding, Data, Metrics and Accountability*

H/HS leaders are seeking alternatives to current funding, the use of data, and ways of measuring outcomes and establishing accountability.

*In the case of funding,* alternative methods of financing public H/HS programs are becoming increasingly important. H/HS leaders are seeking alternatives to current siloed funding streams, including through use of blended and braided funding streams that make it possible to leverage resources smartly and provide services that are focused on the specific needs of families, and enhanced public-private partnerships that make possible up-front private sector funding like social innovation funds and pay for success initiatives.

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27  The 114th Congress attempted to pass legislation that would modernize child welfare funding and allow states and localities to use funds for early interventions so that children may remain in their families rather than be placed in foster care. H.R. 5456 or the Family First Act was introduced in the House and Senate with insufficient time for staff and members to address some of the reasonable concerns that were raised. There are numerous examples of states and localities using funds for early intervention.  They can be found at:  APHSA Innovation Center – Stories from the Field – Interactive Map
28  APHSA Innovation Center – Stories from the Field – Interactive Map
29  APHSA Innovation Center – Stories from the Field – Interactive Map
30  For examples of the NEICE see APHSA Innovation Center – Stories from the Field – Interactive Map; For examples of the SNAP common data projects see APHSA Innovation Center – Stories from the Field – Interactive Map

Federal rules and regulations often make it difficult to use funds in innovative and original ways. While traditional funding generally provides a relatively stable flow of funds for specific categories of service, traditional funding does not meet the needs of individuals, households or communities where innovation and flexibility are necessary to achieve desired outcomes. We must enable state and local H/HS agencies with the ability use tailored, cost-efficient and measurably effective financing alternatives.

America's H/HS leaders are calling on Congress and the Administration to test approaches that will use available funds in far more productive ways (see more detailed recommendation in next section). Most of these approaches rest on modern business practices and flexibility that facilitate multi-agency and cross-sector collaboration and program integration. Advances in research and interoperable technology have paved the way for critical oversight and feedback loops that allow us to continuously determine which programs are achieving desired outcomes. The application of a rapid cycle evaluation methodology provides evidence to support program modifications when obvious benefits emerge, while long-term evaluations can continue to ensure the results achieved are sustainable and meaningful over time. *All federal mandates should be accompanied by the funds necessary to implement these mandates.* Regulatory and policy changes that either directly or unintentionally shift costs to states undercut a state's ability to accomplish the desired results.

Information Technology (IT) costs that are shared by multiple programs has traditionally been allocated among the benefiting programs in direct proportion to their use, as outlined in the federal OMB's Circular A-87 guidance. Beginning in 2012, an exception to this approach was approved by the OMB to help states pay for the much-needed modernization of their Medicaid eligibility determination and enrollment systems (E&E) due to the requirements of the Affordable Care Act (ACA). Known as the "A-87 Cost Allocation Exception," the new, time-limited policy that expires in 2018 allows human service

programs to share a wide range of IT components already needed by Medicaid, and can also be used by human services programs at little or no additional cost except for interfaces or other services uniquely required by those programs.

Although the impetus behind this exception was the ACA, its application was not limited to those states that have expanded their Medicaid population or developed state-based health insurance marketplaces. As a result, all states had the opportunity to modernize their health and human service eligibility and enrollment systems. *This type of funding innovation should be continued after 2018 (ideally, made permanent) so that states and localities continue to have the support they need to ensure that their health and human services information systems are modern and effective.*

*In the case of data and metrics,* vast quantities of data and other types of information are collected by localities, states and the federal government, but most of the data is not used in ways that can illuminate true progress toward sustainable outcomes or for identifying where greater efficiencies can be found. We need to build organizational and workforce capacity to more effectively utilize the data collected to ensure program quality, integrity, and efficiency.

The emergence of "interoperable technology" offers an unprecedented opportunity to connect systems across traditional boundaries and share information in exciting and rewarding ways.  Moreover, data interoperability – technological and programmatic coordination that allows data and metrics to be shared across a variety of different programs and agencies at the local, state, and national levels – can help us address current barriers to service, and make it possible to develop new service models and approaches that will maximize positive outcomes for children, families and communities.  This interconnectivity represents the cutting edge for development of new service models and approaches to maximize positive outcomes for children, families and communities.

*In the case of accountability,* health and human services leaders are seeking new ways to measure outcomes in ways that transcend the program silos that results from laws, regulation and funding, and recognize that services provided in one area may yield results in another area. Accountability is an indispensable component all government programs, in general, and H/HS programs, specifically, and reflects upon the commitment government have towards its citizens.

Health and human services leaders understand more than ever that to produce long-term, sustainable, and positive results requires a broad range of interventions—health, mental health, nutrition, housing, work, education, safety, juvenile justice, economic development, public safety—that cross government levels, departments, agencies, and programs. Thus, true program accountability and management requires a system reaching beyond a given siloed program and recognizing that the services provided in one area may have results that are realized in another.

The current broad scope of administrative data gathered by public agencies, most of which is collected under the broad label of program integrity and is used to meet process-based requirements, should continue as baseline metrics to ensure that service eligibility rules are enforced, benefit payments are timely and accurate, and cost-allocation rules are followed. However, advancements in research, data analytics, and technology can now provide us with the tools we need to transform these data into actionable insights that can open up new possibilities for redefining the impacts of H/HS. If integrated in relevant data sets rather than held in program silos, we can move beyond a strictly transactional business model to one that is also transformational. Together with an oversight feedback loop, this approach would enable effective evidence-based decision-making and continuous improvement in service delivery.

### The Public Policy Solutions

To enable successful transformation, we need a Systems Approach that includes:

Expanded pilot and waiver demonstrations – especially across sectors and systems – to significantly broaden innovations in H/HS. Examples of the impact of demonstrations can be seen in initiatives like the Performance Partnership Pilots (P3) and the long-standing child welfare waivers, both of which are briefly described above. These pilot and demonstration programs can be structured to test alternative approaches and uses, particularly with the emergence of new research methodologies that apply behavioral science and allow for rapid cycle evaluations, while assuring that individuals and families continue to be adequately served.

Relaxing categorical federal funding rules and the array of program silos they have fostered would enable agencies to design data-informed services across departments that will work more effectively to address real needs and conditions. A streamlined funding framework would save substantial time, effort, and costs by directing funds where they can achieve the most effective social and financial returns.

Blended and braided funding options have been used in several sectors with increasing success, although they are seldom available for H/HS programs. Increasing blended or braided funding options across related programs and multiple service sectors will enable H/HS agencies to serve needs more holistically and efficiently, target high-priority performance goals, and streamline administrative requirements. Some jurisdictions, particularly at the local level, have successfully used available blended and braided funding, but federal categorical limitations severely limit taking this concept to scale.

Public-private partnerships would also ease some of the financial pressures that public agencies are facing. Private funding from philanthropies or partnerships with the private for-profit sector has historically been used in human service programs, usually as adjuncts to public health and H/HS efforts rather than as direct funding sources. But increased flexibility in the use of philanthropic or private for profit sector funds would go a long way to ensure that state and local H/HS programs have the

resources they need to generate the outcomes that are desired and move the system to its desired state. Specific methods include:

Social Innovation Funds (SIF) and Pay for Success (PFS) initiatives offer innovative ways for the public sector to partner with philanthropic and private sector investors to create incentives for service providers to deliver better outcomes at lower cost, producing the highest return on taxpayer investments. The concept is simple: pay providers after they have demonstrated success, not based on the promise of success. Similarly, Pay for Success financing is a mechanism for increasing investments in effective social interventions by changing the way government allocates and invests its resources – focusing on results and outcomes.[31]

Private businesses often work closely with workforce development programs to ensure training efforts align with available jobs and provide job opportunities to those who graduate from specific job training programs. While in training, private sector funds can be used for wage supplements. Once in a job, private sector funds can be used to fund "success coaches" who are able to direct workers to the support services they may need (child care, health care, etc.) without which it may be difficult for them to otherwise remain on the job.

Philanthropic foundations typically fund a variety of support activities that enhance or leverage programs, provide technical assistance, or support parallel efforts specifically directed toward serving particular population segments or outcomes. For example, the Casey Family Programs has, for many years, partnered with public child welfare agencies and a wide range of national and local child-serving organizations, political and civic leaders and has provided them with additional resources (fiscal and people) that enhance their capacity to apply evidence-informed programs and develop talent within the agency.

Federal policies and funding mechanisms should also take into account local and tribal agency funding. Local and tribal agencies typically contribute their own funds to most human service programs. They have the closest relationships both to clients and to community stakeholders, and have consistently developed some of the best and most innovative service and administrative models within the human service arena.

The federal government should create a new federal information technology (IT) support paradigm that can help simplify federal rules and cost-allocation requirements; actively encourage the adoption of the best IT systems and common templates; and support program integration and blended funding opportunities contained in recent legislation and federal administrative announcements. In addition, resources should be devoted to strengthening workforce capacity to analyze and leverage data to generate increased service and community impact.

This would entail new and redirected federal investments in technology, data warehouses, data sharing platforms, and business intelligence capabilities for data management and analysis. It would also require that the federal government help leverage data quality and data linkages to develop measures that address true outcomes for families, not simply outputs, and empower effective decision-making. Furthermore, there would be a need to aggregate the best research to identify state-specific, evidence-based programs, so that it is possible to estimate program impacts based on the states' unique characteristics and resources. This holistic appraisal of impacts and benefits across sectors is central to measuring the value of and the social improvements realized by specific programs.

It would also require a review of privacy and confidentiality safeguards to ensure that legitimate safeguards are protected, but unnecessary regulations or practices are not allowed to hinder critically needed data sharing.

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31  APHSA Innovation Center – Stories from the Field – Interactive Map

Successfully obtaining outcome performance data across programs and governmental sectors will require program integration or, at the least, data interoperability. This can be challenging since, historically, public agencies do not collect or analyze data in uniform ways. Many do not have the resources for updated technology that allows for interoperability, and real or perceived confidentially and privacy laws are frequently seen as barriers (although there is increasing focus on how to achieve data sharing with appropriate protections). Nonetheless, state and local H/HS agencies are firmly committed to the value of accountability based on the principles of service integration and cross-program data that focuses on results. Health and human services leaders believe that policymakers should focus accountability on improved outcomes rather than compliance with process measures that do not tell us whether individuals and families are advancing toward greater capacity, independence, and well-being. The leaders are seeking the resources and technical assistance that public health and human service agencies need to illuminate the full impacts and sustainable results from our work.

Implementing this new accountability paradigm will require intentional and proactive improvements on a broad scale and a federal-state partnership that is rooted in cooperation and continuous improvement. Joint federal-state workgroups are one method that could results in identifying "quick wins" through practical administrative changes that do not require regulations or statutory changes. Better and broader communications across governmental levels and across programs and specializations can also bring prompt and positive results.

Some of these ideas require legislative or regulatory changes, but many can begin with minimal adjustments to current policy and/or administrative actions. No matter what, this is an essential conversation that must take place if we are to identify sustainable solutions. Ultimately these issues depend on federal, state, and local governments working closely together with each other, and with other sectors, to share information, experience and insights, and to implement solutions to which everyone is fully committed.

## CONCLUSION

America's H/HS system is increasingly becoming more responsive, innovative, and solution-oriented. This transformation is rooted in the understanding that for all of us to reach our full potential - no matter where we live - we must have the opportunity to develop a strong foundation of health and well-being capable of weathering life's storms.

In order to achieve this, strong support from the Administration and Congress is needed. That support has to be more than simply financial; it must be based on an awareness of the contributions a modernized system can make, the ways in which it can prevent "downstream" problems that are far more damaging and expensive to address, how it can fundamentally change the lives of many Americans, and how in this way it can fundamentally change America.

If as a nation we wish to continue to have a modern and responsive H/HS system, the federal government, in particular, will need to continue to create new and important tools that can help move the system forward. These include a range of innovations around funding, programs, data, and accountability. The nation and H/HS leaders must also stay focused on what matters: child and family well-being, employment and economic well-being, and health.

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