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**A Framework for Funding Programs That Work:
A graduated approach to minimize risk and maximize return on investments.**

Ad Hoc Group for Bringing Evidence-Based Programs to Rochester

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A Framework for Funding Programs That Work: A graduated approach to minimize risk and maximize return on investments.

The primary purpose of this document is to present a graduated approach to spending scarce public and private community dollars for programs and evaluating those programs. Another purpose is to stimulate community discussion around these issues. Although this document focuses on Rochester's programs, we believe the concepts outlined here are appropriate for any community with the goal of increasing the community's supply of evidence-based interventions, i.e., minimizing the risk of investments, and decreasing the community's supply of interventions of unproven or dubious value, i.e., maximizing returns on investments. Additionally, this paper includes a proposed mechanism to determine if the changes in funding have the desired effect on the supply of high quality human services in the Rochester community. These are highlighted in bold at the end of each section. We believe this framework could be used for most populations and issues. Figure 1 on page 11 provides a graphic decision tree outlining the framework.

A. The Proposed Framework.

A.1. Nationally Recognized Evidence-Based Programs (EBP) – Funding for EBP.

For nationally recognized evidence-based programs – funders should require a) assessment of the fidelity to the program's implementation protocol, and b) adherence to any fidelity mechanisms or certification which the author(s) of the program have devised. **Community evaluation dollars are best spent in documenting the fidelity of the intervention.**

Rationale: A nationally recognized evidence-based program is one certified as evidence-based or promising by a US federal agency, state, or similarly credentialed university or private institution (e.g. Blueprints). Federal agencies use expert, scientific, peer-review processes to certify evidence-based programs. It makes little sense for Rochester, or any community, to duplicate such efforts. If implemented with fidelity on intended populations, evidence-based programs should have the desired effects. The local community is unlikely to have the funds necessary to rigorously evaluate these programs properly and simple designs such as a pre-post single group evaluation are simply a waste of resources.

Evaluation of section A.1.: The first evaluation criterion will be the fidelity measures referenced above – do programs meet fidelity standards. The measure will be the number of evidence-based programs that meet established fidelity criteria. However, the main outcome of section A.1 funding will be increases in the rates of individuals served by nationally recognized evidence-based programs. The measures will be an increase in the ratio of the number of EBP versus non-EBP and the number of individuals in evidence-based programs divided by the total number of service recipients in the same age group in programs supported by the funder.

A.2. Adaptations of Nationally Recognized Evidence-Based Programs – Funding for Adaptation of EBP.

For adaptations of nationally recognized evidence-based programs to the Rochester population – funders should require a) evidence that core components of the program have not been modified, or, if the program does not identify core components, b) evidence of communication with the author(s) of the program that proposed modifications appear as reasonable adaptations unlikely to impact efficacy. In any case, written endorsement from the author(s) of the program for any program modifications or adaptations to the local community should be required. **Community evaluation dollars are best spent in documenting whether the tailoring or adaptation of the program does not compromise the program.**

Rationale: Adaptations of nationally recognized programs are sometimes legitimately needed. Fortunately, many nationally recognized programs have identified their core components. Adaptations that modify non-core components or that expand the intervention to a similar population or setting should be encouraged. Adaptations that modify core components should be discouraged or included under A.3 below.

Evaluation of section A.2: The first evaluation criteria will be the fidelity measures regarding the core components referenced above – i.e., does the program meet fidelity standards. Additionally, basic outcome evaluation should be conducted to ensure that adaptations have the desired effects. The measure will be the number of adapted evidence-based programs that meet established fidelity criteria. The main outcome of section A.2 funding will be the increases in the rates of individuals served by adapted nationally recognized evidence-based programs.

A.3. Local Programs with National Potential – Pilot Funding to Attract National Grants.

There are some local programs that are not nationally recognized as evidence-based, but have the *potential* to become evidence-based programs. In this case, after passing peer review by a new and locally established National Funding Peer Review Committee, the community may decide to give start-up money to gather preliminary information for the purposes of attracting national or local funding for the testing of a potential evidence-based program (e.g. federal grant, grant from a national foundation or a local funder if such resources can be developed). The *National Funding Peer Review Committee* will consist of peer reviewers who 1) have obtained federal or national funding or have served as reviewers for these grants at the national level or are particularly knowledgeable in evidence-based programming, 2) will have no conflict of interest with the particular effort and 3) whose only aim will be to determine whether a project could qualify for national funding within five years. Most local funders are simply not qualified to perform this review unless they have served as reviewers, evaluators, or researchers at the national level. It is expected that this process will connect local programs to the Rochester research community, which is more likely to be able to attract national research funding for worthwhile local efforts than other constituencies. This system would parallel the scientific and administrative review of National Institutes of Health, the federal Department of Education, the National Science Foundation, Department of Health and Human Services,

and other federal agencies, where content experts review the scientific merits of a proposal while program officers conduct the administrative review.

Rationale: Developing evidence-based programs is expensive and will usually be better funded via national funding sources. The role of the local community should be to assist a promising local initiative to be ready for such national funding. The key is that the initiative must be truly promising. Under section A.3. local funders have the opportunity to associate their names and support with a future evidence-based program that may be disseminated nationally. However, if the local community wishes to support and fund such efforts with local dollars, it is estimated to cost \$500,000 per year for five years for most programs, which would definitely put Rochester on the map as research leader within the nation.

Evaluation of section A.3: The main outcome for section A.3 funding will be the number of national or federal grants and /or the amount received for the purpose of developing and testing evidence-based interventions.

A.4. Local Programs without National Potential – Funding for Local Programs.

There are some local programs that *use* evidence-based or promising practices or have components from evidence-based programs, or have some independently collected evidence of effectiveness. In this case, after passing peer review by a second new committee, the *Cost-Effectiveness Quality Peer Review Committee*, the community may decide to fund these programs as locally-developed effective interventions. The *Cost-Effectiveness Quality Peer Review Committee* will consist of peer reviewers 1) who are knowledgeable of evidence-based programs and practices and capable of evaluating the scientific quality of the evidence supporting the program, 2) who will have no conflict of interest with the particular effort, and 3) whose aim will be to determine whether the project has strong evidence, weak evidence, or no evidence of having the desired impact, or evidence that it does not work. The Committee will also include a content expert for the particular category of programs under review. This information will be forwarded to funders and providers of service. The peer reviewers will examine evidence of efficacy and cost-effectiveness. They will also inform funders and providers if evidence-based programs that substantially meet the same purpose exist. If a program is funded under A.4, any review by the *Cost-Effectiveness Quality Peer Review Committee* will be a public document.

Rationale: Local programs must have evidence that they work. An impartial scientific committee is in the best position to judge evidence of outcome effectiveness and cost effectiveness. Because such committees have done similar work at the national level, the community will have standard models on how to conduct these reviews. The peer review committee will also provide information about cost-comparable nationally-available alternatives that have better evidence that could be brought to Rochester. Local funders will be able to determine the best use of the money with peer-reviewed assessments of quality and relevant information about effective alternatives.

Evaluation of section A.4.: The main outcome for section A.4. will be information on how many programs currently have strong evidence versus weak or no evidence, the change in this percentage over time, and the percentage of recommendations from the review committee adopted by funders and service providers.

A.5. Local programs with no evidence, but eligible for value-based funding – Value-Based Funding.

There are some needs that every community must meet. We recognize that funders may elect to conduct value-based funding as opposed to evidence-based funding. Value-based funding refers to the funding of services that are generally supported by the community to meet needs for which the community generally believes service cannot be ethically withheld or that otherwise have strong community support. These needs include basic requirements, humanitarian relief, shelter, safety, food, basic education, access to health care, and others. Please note that, in principle, there are no intrinsic conflicts between value-based funding and evidence-based funding. A community may choose to implement its values by providing evidence-based programs or strong-evidence programs to meet those needs. Often, however, a need must be addressed for which there are no evidence-based programs. In that case, the community ought to meet the need using programs that contain evidence-based or promising *practices*. Finally, if there are no evidence-based alternatives, the community will meet the need with an approach that lacks evidence.

Programs that lack evidence but respond to the community's values for service provision are covered in this section. As a general tenet, these programs must not do harm. In other cases, however unintended, the potential for harm may be there. In these cases, **community evaluation dollars are best spent in documenting that a) there are no programs with stronger evidence that could respond to the need, b) the intended population is being served and c) that no harm is done.**

Rationale: Some needs are so basic that service cannot be ethically denied. If a comparable-cost evidence-based alternative exists, it should be used. If not, the main goal is that the program will reach the intended population. Serving a population with programs that lack any evidence, however, has the potential of harm and must be considered carefully.

Evaluation of section A.5: The main outcome of section A.5. funding will be a decrease in the aggregate need or lack of access to crucial services over time. Some basic outcome evaluation will be needed to rule out harm. The measures will be indicators developed under the section A.7.

A.6. Programs with no evidence not eligible for value-based funding – Transition funding.

Finally, there are many local programs that a) are not covered under value-based funding (A.5), b) are not nationally known as evidence-based programs (A.1), c) are not adaptations of evidence-based programs (A.2), d) have no reasonable potential to ever become evidence-based programs or attract national funding (A.3) and e) have been deemed to have no evidence by the process described in section A.4. **These programs**

ought to be transitioned to one of the other categories within a reasonable time period (e.g. 1-3 years) or defunded.

Rationale: These programs have high risk and high opportunity costs because every dollar spent in these programs can be used to attract programs with better evidence to Rochester or to conduct value-based funding. Thus, money should flow towards programs known to be effective, which have hundreds of thousands of dollars of research and development investments behind them.

Our recommendation is that these programs receive transition funding specifically designed to allow the providers 1) to locate and implement evidence-based programs, 2) to secure additional evidence for their local program (thus increasing the evidence of the program when undergoing the cost-effectiveness quality peer review process), or 3) to defund the program if 1) and 2) are unsuccessful. Scarce evaluation dollars are best used either in technical assistance for the transition to evidence-based programs or in high-quality evaluations likely to determine the quality of the program and increase the rating of the program in the cost-effectiveness quality peer review process.

Evaluation of section A.6.: The main outcome of level A.6. is simply the decrease of the rate of persons served by non-evidence-based or non-value-based programs, and the increase in the numbers of agencies and programs that were originally in A.6. but are now in one of the other categories or are defunded.

A.7. Monitoring of Community's Needs, Demand and Supply. – Funding for Informational Infrastructure.

Evaluation dollars can and should be used to monitor and document levels, and changes in levels, of factors associated with the demand and supply of human service provision in the community. We recommend the creation of community-wide panel studies that document, on periodic and fixed intervals (e.g., annually or biannually), the levels of these factors independently of any community initiative. Demand indicators must be obtained directly via direct community surveys or assessments rather than via providers of human services (e.g. agencies) to avoid confusing the needs of recipients with the interests of providers, as is often the case. In this respect, the staffs of many organizations represent the interests of existing providers, and we may know very little about the needs and wants of populations that choose not to enroll into programs operated by current providers.

In addition, expert surveys are needed to assess needs that are not in demand (e.g. services that experts feel people need but people in fact do not demand).

Rationale: The effectiveness of programs is determined by the improvement of overall community rates (e.g., literacy rate, access to health care rate, obesity rate, domestic violence rate, etc.). A good community monitoring system for outcomes of interest which are recurrent (in much the same manner we measure the economy), but can change over time, will determine if the community's outcomes are improving over time. Independent

measures of demand will ascertain if demand is growing or going unserved, and equivalent supply measures will determine if the supply is adequate or needs enhancement.

Evaluation of section A.7.: Section A.7. funding will be evaluated by the presence of clear, reliable, valid information on need, demand, and supply of human service indicators for the community at predictable time intervals.

B. Anticipated Responses

B.1 Response from Providers of Services:

If successful, the use of community funding to promote evidence-based programs and discourage non-evidence-based programs will result in dislocations of the current supply of services, particularly among providers who are unlikely to be able to support evidence-based programming. Providers may employ a number of strategies to adjust to the changes:

- 1) The easiest response to a funder's demand that a program be evidence-based for funding will be simply to claim that the program is evidence-based. Such a claim will be made by saying that the program is *based on* an evidence-based program, or *implements evidence-based practices*, or is somehow *linked to evidence-based criteria* in a manner that is expensive or impossible for the funder to verify. This strategy will not succeed if under section A.2 the funder makes the developer of the evidence-based program the judge of whether local modifications likely compromise the program's effect. The verification of evidence-based status requires expert peer review. Fortunately, evidence-based program developers also have an interest in keeping the quality of their brand intact from claims that a program is evidence-based when it is not. By requiring local program providers to develop relationships and get endorsement from national program developers, the likelihood that Rochester will benefit from expert oversight for these programs will increase, and modifications that compromise program effects will be minimized. If a local program claims to be evidence-based, but cannot find a nationally known program developer to substantiate the local program, the program should not be encouraged. Thus, a program that cannot be readily verified to be evidence based should not be funded under section A.1 or A.2.
- 2) A second strategy potential providers might use will be to claim that a program meets a desperate need for the local population and should be classified under value-based funding with no evidence of efficacy (A.5). Local peer review of this claim is likely to be ineffective since peers are likely to be (a) people involved in human service provision, i.e., providers, or (b) people who use services provided by the agency (customers), or (c) people who serve on boards of nonprofit organizations and are committed to more agency services. In addition, local providers of non-evidence-based programs have substantial political and social capital in the local community, and can likely derail any attempt to restrict their funding either by local peer review or administrative fiat.

A potential solution to this problem is the setting of a verifiable rule that is observable by all parties at the beginning of the process. Fortunately, such a rule exists in our context:

A program should not qualify under section A.5 if there exists a nationally recognized evidence-based program that meets substantially the same purpose, if there exists a local program with stronger evidence, or if it is possible to introduce evidence-based or promising practices to the local program with no current evidence. The community should concentrate on bringing the evidence-based program to Rochester.

As the supply of nationally recognized evidence-based programs grows, the number of programs that qualify for section A.5. will decrease. The adherence to this rule will prevent costly verification procedures or wasted money in negotiation or in setting precedents that imperil the whole effort.

- 3) Providers of services may also claim that their program is likely to become an evidence-based program or to have evidence-based practices. Hopefully, the peer review processes outlined above should be able to assess if the agency has a workable idea and has the qualifications and staff needed to use the community's start-up money in preparation for national funding. There are clear national guidelines for this sort of work which could be easily adapted to our context.
- 4) Providers of services may react by asking for additional funds to a) retrain their staff, b) hire more appropriate staff and/or make substantial modifications for infra-structure, c) request assistance to locate and implement evidence-based programs. Evidence-based programs are typically not only more cost-effective, but also more expensive. The community should understand that, given constant or declining revenue for nonprofit organizations, a move towards evidence-based programming will probably yield fewer programs funded. Of course, the quality and impacts of the programs will increase.

B.2 Response from Existing Customers & the Community at Large:

One can also anticipate that existing customers, sometimes independently and sometimes organized by providers of non-evidence based programs, will resist cuts in non-evidence-based programs. Because providers and some customers wield substantial social and political capital, it is important to explain the process and the rationale with key political constituencies (of both parties), the press, and any other key stakeholder in a proactive manner before the change in funding is announced to minimize support for non-evidence-based programs.

C. Other Important Considerations.

C.1. Prevention versus Treatment

Prevention programs are often hard to prove. Thus, we are concerned that a move towards evidence-based programs could become a move away from prevention. We believe this would be a mistake. Evidence-based prevention programs often have more favorable cost-

benefit ratios than treatment programs. Therefore, we encourage funders to look at their investments in prevention and treatment separately, and to aim for evidence-based programs in both with the understanding that prevention will typically lag behind treatment in regards to evidence-based programs.

C.2 The Concept of Community Services Portfolios.

In summary, the community and each funder can manage their investment dollars by allocating them towards programs that lack evidence or programs that have evidence. No one knows what the current community’s portfolio looks like, but we suspect that the majority of dollars are spent on programs that lack evidence, for which easily adaptable nationally recognized evidence-based alternative programs exist. Under the mantle of meeting current needs, the Rochester population is denied access to the national evidence-based programs that could be the most helpful.

Community Human Services Portfolios (2008-2018)
ILLUSTRATIVE PURPOSES ONLY (NOT ACTUAL DATA)

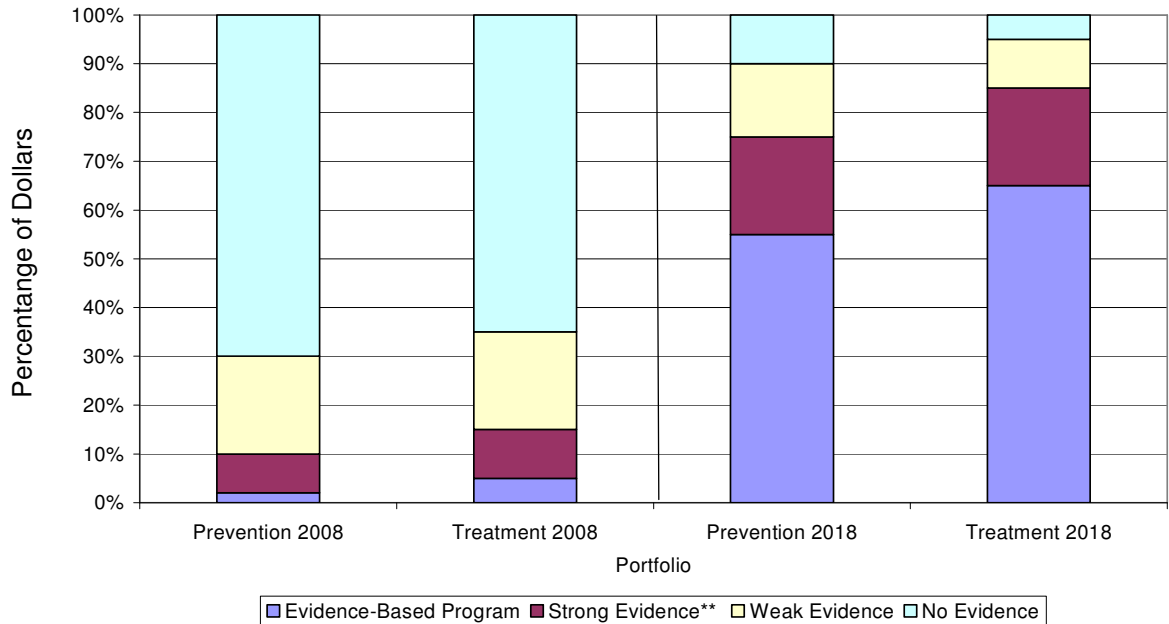


Figure 1. Community human services portfolio. Not Actual Data.

** Strong evidence includes adaptations of evidence-based programs.

Figure 1 shows what we guess may be the current portfolio and what we are proposing should be a goal in 10 years. **A good first step would be to assess the current portfolio.** The peer review process outlined above will be able to create these categories, and indeed we propose that each funder and the community estimate and chart their portfolios. The overall process outlined in this proposal can be evaluated by comparing the yearly portfolios for both treatment and prevention for the Rochester community.

D. Next Steps.

The purpose of this document is to start a community discussion on how to best use public and private local dollars to bring in the very best programs and practices to Rochester, as well as to bring to scale the evidence based programs that are already here but are not yet at capacity. The next steps in this process should involve service providers, government representatives, funders, members of the research community, and community representatives meeting to discuss the current status of service and treatment programs, and to address the points raised in this document, to lay the groundwork for systematic changes in funding strategies to improve the quality of programs and services available to the Rochester community.

Figure 1: Funding programs that work decision tree

