

Strengthening Services for Homeless New Yorkers through Performance-Based Contracting

Increasing service provider accountability for placing clients into permanent settings has been a key strategy in New York City's efforts to end chronic homelessness. HSU has worked closely with the New York City Department of Homeless Services to develop the Performance Investment Program (PIP), which is intended to improve service outcomes for homeless New Yorkers by measuring program performance - rewarding programs that perform well and penalizing those that do not. Performance is measured primarily by programs' success at moving homeless clients off of the streets and out of shelter and into permanent housing or other settings designed to meet their long-term needs.

HSU believes that services should be designed to prevent homelessness whenever possible and, in instances when homelessness cannot be prevented, to assist homeless people to transition as quickly as possible to permanency. We believe that a well-designed performance-based contracting system can support achievement of those goals.

HSU believes that the goal of the PIP should be to achieve better outcomes for homeless New Yorkers through performance measurements that motivate staff and provide them with useful management tools. To that end, HSU advocates for:

- Performance measures, which at their core are designed to improve outcomes for homeless people;
- Developing performance measures in consultation with the staff who are working on the front lines of the programs being evaluated;
- Performance measures that highlight program strengths as well as weaknesses and keep staff enthused and motivated to help clients improve their lives.
- Measuring performance in areas in which staff have the ability to influence outcomes and excluding indicators that measure things outside of service providers' control;
- Performance measures that are easy to understand and do not require staff to do a lot of administrative work, which diverts scarce program resources from service delivery;
- Timely communication about changes so that staff understand how they are being evaluated and can make any programmatic adjustments necessary to achieve performance targets.
- A payment structure that ensures staff are rewarded promptly and fairly for good performance and that all programs performing adequately enough to remain open retain budgets sufficient to provide the core services that homeless people need.

Homeless Services United is a coalition of sixty non-profit agencies serving homeless and at-risk adults and children throughout the five boroughs of New York City.

