

ADVISORY COMMITTEE ON FINANCIAL ISSUES

MAJOR FOCUS - HOW TO PAY FOR THE SYSTEM ESTABLISHED IN THE DEMONSTRATION SITES?

QUESTIONS TO BE ADDRESSED IN ACHIEVING MAJOR FOCUS

- WHAT REVENUE/EXPENDITURE MODELS SHOULD BE EXPLORED? IN OTHER WORDS, HOW MUCH MONEY IS THERE TO ACCOMPLISH THE DEMONSTRATIONS AND HOW MUCH IS NEEDED ON AN ANNUAL BASIS?
- SOME ECONOMIC ANALYSIS WILL BE NEEDED ON THE COST OF PRODUCING A GIVEN UNIT OF SERVICE
 - HOW DOES THE MONEY IN THE POT GET PAID TO PROVIDERS? RETROSPECTIVELY, PROSPECTIVELY, THROUGH FLEXIBLE PER DIEM, LUMP SUM PAYMENTS, CAPITATED RATES, BLENDED RATES ETC.
 - WILL PAYMENT AMOUNTS/SCHEDULES BE LINKED TO PERFORMANCE? IF SO, WHAT OUTCOMES/INDICATORS WILL BE LINKED TO PAYMENTS OR SANCTIONS?
 - WILL PAYMENTS AMOUNTS DIFFER FOR NEW CASES AND LEGACY CASES?
 - WHAT IS THE RISK-SHARING RELATIVE TO THE FOLLOWING SOURCES OF RISK: VOLUME OF CASES; DURATION OF SERVICES; LEVEL OF CARE BEING PROVIDED; AND CASE MIX?
 - WHAT INCENTIVES AND PENALTIES WILL BE USED WITH THE PRIVATE SECTOR? HOW WILL CONTRACT TERMINATION WORK?
 - WHO WILL CLAIM THE FEDERAL MATCH/FEDERAL FUNDS? WHO WILL DO THE ELIGIBILITY AND REIMBURSABILITY FUNCTIONS?
 - WHAT ABOUT MULTIYEAR CONTRACTS?
 - HOW CAN A CONTRACTOR'S FINANCIAL RISK BE REDUCED? SHOULD THE USE OF A RISK-REWARD CORRIDOR THAT LIMITS RISK OF LOSS AND POTENTIAL PROFITS OR THE ESTABLISHMENT OF A STATEWIDE RISK POOL BE CONSIDERED?
 - CAN SUPERVISING AGENCIES RETAIN SAVINGS AND CARRY OVER CALENDAR YEARS? IF SO, ANY RESTRICTIONS OF HOW SAVINGS ARE USED?
 - HOW WILL THE PLAN DEVELOPED BY THE CWTDC IMPACT CA EMPLOYEES?
 - WHAT ARE THE INITIAL AND ON-GOING COSTS AND POTENTIAL SAVINGS OF THE TRANSITION IN THE DEMO SITES?
 - WHAT ARE THE POSSIBLE COSTS AND COST SAVINGS OF CA'S TRANSITION TO PBCs?

TO BE CONSIDERED WHILE ACHIEVING MAJOR FOCUS

- * ADHERENCE TO THE INDIAN CHILD WELFARE ACT AND STATE AND TRIBAL AGREEMENTS
- * ADHERENCE TO THE PRINCIPLES AND REQUIREMENTS OF THE CENTENNIAL ACCORD
- * AWARENESS OF RACIAL DISPROPORTIONALITY ISSUES IN CHILD WELFARE
- * THE PROVISION OF CULTURALLY COMPETENT SERVICE BY CONTRACTORS