# **Rates Workgroup Discussion Items and Points of Consensus**

## **Guiding Principles**

- The Lanterman Act
- Sustainability
- Person- Centered; preserving choice
- Cost efficient and effective
- Flexibility
- Equality
- Utilization of Market Forces
- Transparent
- Streamlined
- Supporting Diversity
- Proper Incentives
- Quality assurance and outcome measures

#### **Constraints**

- Federal Rules
- Limited Resources
- Other care systems
- Geographic Disparities
- Workforce Issues
- Oversight Requirements
- Other Federal, State and Local laws

## **Questions of Inquiry**

- Who sets rates?
- How are rates determined?
- How are rates adjusted?
- How is cost containment structured?
- What are the incentives for service and cost containment?

- What works in current system?
- What works in other systems?
- What is the policy direction?
- How should claims be made, i.e. service codes?
- What can be streamlined?
- How do we measure outcomes?

# **Points of Structural Agreement**

- Centralized rate setting by the Dept. of Developmental Services (DDS) to the extent possible with local flexibility
- Rate setting by standardized, transparent mechanism
- Rates should have some index to cost of living or local pressures or streamlined exemption process
- Align to CMS rules to maximize funding
- Streamline billing codes
- Rates should be fewer and be more broad with programmatic flexibility
- Policies should be looked at to make sure the they are driving rates in the right direction
- Needs to be standards of quality and outcome measures
- Transparency for negotiated rates
- Set standards of quality for service, like the Commission on Accreditation of Rehabilitation Facilities (CARF), and tie to funding
- There should be funding for new programs, similar to the Community Placement Plan (CPP)
- Utilize a vendorization process to ensure quality at the beginning
- There should be some measure for consumer satisfaction